



Addis Ababa University  
College of Business and Economics,  
Masters of Business Administration Program

**DETERMINANTS OF PROFESSIONAL ASSOCIATIONS'  
PERFORMANCE IN ETHIOPIA**

BY  
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A Thesis Submitted for the Partial Fulfillment of the Requirements for the  
Degree of Masters of Business Administration in Management

Advisor: Tilahun Teklu (PhD)

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Addis Ababa

## **DECLARATION**

I, Henok Teshome, declare that this research paper entitled “**Determinants of Professional Associations’ Performance in Ethiopia**” is my original work and I have undertaken the research work independently with the guidance and support of my research advisor. Furthermore, this study has not been submitted for any degree in any other institutions and that all sources of materials used for the thesis have been properly acknowledged.

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## LETTER OF CERTIFICATION

This research has been submitted to Addis Ababa University, College of Business and Economics, Masters of Business Administration Program for examination with my approval as an advisor.

Tilahun Teklu (PhD)

**Advisor**

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**Signature**

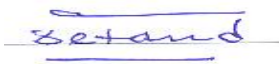
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**STATEMENT OF DECLARATION**

This is to certify that the thesis prepared by **Henok Teshome Teresa** entitled: **“Determinants of Professional Associations’ Performance in Ethiopia”** and submitted in partial fulfillment of the requirements for the Degree of Master of Business Administration (MBA) and this study complies with the regulations of the University and meets the accepted standards with respect to originality and quality.

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## ACRONYMS

<b>AAU</b>	Addis Ababa University
<b>ACSO</b>	Agency for Civil Society Organization
<b>CSO</b>	Civil Society Organization
<b>ECEAA</b>	Ethiopian Consulting Engineers and Architects Association
<b>EMA</b>	Ethiopian Medical Association
<b>ETA</b>	Ethiopian Teachers Association
<b>FDRE</b>	Federal Democratic Republic of Ethiopia
<b>NGO</b>	Non- Governmental Organization
<b>NPO</b>	Non- Profit Organization
<b>PA</b>	Professional Association

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## ABSTRACT

*Recognizing the performance factors in professional associations is crucial, in order to tackle the decline in professionalism and its detrimental effect on our economy and society. Hence, the objective of this study is to examine whether certain Intra-organizational factors affect performance of Ethiopian Professional Associations. As identified by literature the Intra-organizational factors are Management capacity, Program performance and Transparency. Consequently, explanatory research design was applied using the probability sampling approach, namely simple random sampling, n= 47. probability sampling is utilized on the population, since it determines the likelihood that a sample is representative of a population. Primary data were collected using self-administered structured questionnaire that was submitted to single respondents in the respective associations and the response rate was 70.2%. Secondary data about associations membership growth was collected from ACSO. The result of secondary data analysis showed that associations membership growth is irregular and doesn't shows a definitive pattern. Then after a correlation analysis between the three independent variables and the dependent variable was conducted. The results of the correlation analysis indicated that there was strong correlation between Management capacity and PA's Performance furthermore, the correlation between program performance, transparency with PA's performance was substantial. The study went on to regress the 10 factors which are under the three independent variables namely, management capacity, program performance and transparency against the dependent variable (PA's membership growth) to estimate the relationship between the Intra-organizational factors and performance of PA's. The findings of the regression analysis revealed that 7 out of the 10 factors have shown to be significant in determining the performance of PA's whereas; the remaining 3 factors have shown to be insignificant. The study recommends that more internal & external factors should be explored in the literature to uncover more factors that are important in the determining the performance of Ethiopian PA's.*

**Key Words:** *professional association Performance, Intra-organizational Determinants of performance*

# I. INTRODUCTION

## 1.1 Professional Associations

Based on (Crues et al., 2004, p. 74) definition a profession is “*an occupation whose main element is work and is contingent on the proficiency and understanding of a wide body of knowledge and skills.*” A professional association, on the other hand according to the Collins English Dictionary, is “*a body of persons engaged in the same profession, usually founded to govern entrance into the profession, maintain standards, and represent the profession in conversations with other bodies*” (*The Collins English Dictionary*, 2006, p. 650) Furthermore, (Ackroyd, 1996, p. 601) asserted that professions and professional groups are one sign of all advanced civilizations' social construction..

Furthermore, (Sussman et al., 1965; V. Tarvydas et al., 2009) defined PA's as non-profit organizations formed to represent and carry out the interests of a profession. As a result, they can be considered as tools used by members to achieve the goals and aspirations of the profession as a whole (Miller & Chorn, 1969). PA's are normally owned and primarily supported by membership dues; they feature a democratic structure in which any member can nominate and be nominated for leadership roles (Prideaux, 2005, p. 52).

### 1.1.1 Functions of Professional Associations

PA's sole existence is to advance the interests of their members in their profession; they do so by establishing educational, competency, and other governing standards inside the profession, assisting members in their professional development journey, promoting favorable public and private policies, and advancing professional practice through continuous research and up-to-date information dissemination (Kloss, 1999, p. 71).

The importance of professional associations extends well beyond the professionals or the sector in which they operate; every professional association indirectly assists many people affiliated with that area. The benefits to each sector (economic, social, political, and environmental) are enormous. These benefits are tied to the lives of many people who rely on the sector, including the general public. As a result, effective professional groups have a huge responsibility to society.

Generally as (Nester, 2016) put it, the functions of a PA's include: 1) *pioneering*: they give the profession a voice, credibility, and authority, and so play an important role in ensuring a discipline's practice rights (Noordegraaf, 2007; V. Tarvydas et al., 2009). 2) *Legal Function and Visual Identity*: which protects their legal right to engage into agreements, undertake duties, sue and be sued, incur and pay debts, and be held responsible for their acts. 3) *Powerhouse of Professional Expertise*: they should serve as a conduit for professional development by supporting developing skills through training and continuing education (Karseth & Nerland, 2007). 4) *Advocate for the Provision of Quality Care*: PAs are also involved in the development of ethical rules of practice (Moore, 1970; V. M. Tarvydas & Cottone, 2000). 5) *Communication*: It is also the responsibility of the PA to raise public awareness (S. J. Patterson & Radtke, 2009). A well-developed communication plan is required for an effective PA. It entails communication with the media and the press, as well as communication with the government and other stakeholders, as well as collaborative relationships.

### **1.1.2 Professional Association's Performance**

PA performance is defined as the outcome of an organization's actions in the professional environment and in society. This variable can be viewed as a critical road map for any PA looking to assess its level of performance. However, evaluating PA performance is not an easy task, and the concept's value is greatly dependent on how good or terrible measures are utilized and how the measures are implemented.

However, the viability of an association can be assessed mostly by the number of professionals joining and participating (J. B. Patterson & Pointer, 2007). Professional groups survive and prosper via membership (Sherman, 1963). Active membership is so significant, since the coproduction of their members gives professional associations, like many voluntary organizations, a high value (Gruen et al., 2000). Large professional organizations offer higher value internally for its members and provide a crucial resource for external representation. However, the aims of PA membership are not entirely represented in attempts to attract many possible members, but rather in achieving "completeness" of membership (Merton, 1958). The percentage of potential members who have completed their membership is referred to as 'complete members'. Professional organizations are better able to represent the needs and

interests of the persons and groups they serve by enlisting a high percentage of potential members (Moore, 1970). Realizing full membership has been a problem for organizations across disciplines; professional groups have battled over the previous few decades to acquire new members and retain existing members (Yeager & Kline, 1983).

## 1.2 Professional Associations in Ethiopia

According to the FDRE's new Organizations of Civil Societies Proclamation No. 1113/2019 (hereafter referred to as CSP/2019), "civil society organization" is a broad term that encompasses a variety of sub-types. According to the Proclamation, a "CSO" is a non-governmental, non-profit, non-partisan entity founded on a voluntary basis by at least two or more individuals and registered to achieve any lawful purpose (CSO Proclamation Article 2/1) FDRE 2019.

There are different sub-types of CSOs, including local and foreign CSOs, mass-based societies, professional associations, consortia, and charitable entities. All of them appear to be subject to largely the same rules relating to proprietary, inurement, dissolution, activities, interest and taxes.

As a subsection of registered civil society organization, there are 163 professional associations registered (after 2019) with agency for civil societies organization (ACSO) currently in Ethiopia. Some of the most known are: Ethiopian Teachers Association Ethiopian (ETA), Ethiopian medical association (EMA), Ethiopian Lawyers Association (ELA), Ethiopian consulting engineers and architects (ECEAA).

**Table 1. 1: Distribution of professional Association by region**

No	Region	Number of PA's	Percentages
1	Addis Ababa	156	95.7
2	Dire Dawa	1	0.61
3	Oromia	3	1.84
4	Amhara	2	1.22
5	SNNPR	1	0.61
<b>Total</b>		<b>163</b>	<b>100</b>

Source; ACSO

PA figures indicate that these organizations, through advocacy and regulatory frameworks for their members, continue to have a key role in Ethiopia's economy.

### **1.3 Statement of the Problem**

The decline of professionalism, especially in Ethiopia, has taken on epidemic proportions. Some of the studies in various sectors further illuminate it such as (Gebreegziabher, 2013) indicated that amongst various factors contributing to journalism deterioration is the journalistic professional value were mainly *political parallelism* and *commercial instrumentalization*. Additionally (Neme et al., 2019) in a study of health professionals in bale, Oromia has found that the overall health care workers ethical practice was low And health workers exhibited Negative attitude with respect to work experience, professional ethics and perceived inadequacy of professional ethics curriculum.

In parallel, the construction sector in Ethiopia, like in other developing countries, is facing many setbacks. Some of these challenges as indicated by (Mengesha, 2004; Zewdu & Aregaw, 2015) are “*project overruns, poor quality, inappropriate procurement systems, and a failure to cope with project requirements and the inability to adopt best practices.*” Majority of the factors lie within the context of Architectural/Engineering related service delivery. Furthermore, studies such as (NEGASH, 2018) identified *Service fee (compensation); education, training and capacity (competency related); and professional integrity* were the top three influential factors with respect to architectural practice service quality.

Furthermore on a study done by (Yigzaw, 2020) regarding professional ethics practices on 20/80 condominium Government public housing projects found that most of the ethical standards among construction professionals are compromised and there is medium to low level of professional ethics on the projects. The study finding has also identified the most prevalent contractor related factors to unethical practices in 20/80 condominium projects to be *theft; illegal bidding practices, purchasing substandard materials to save money, negligence and lack of qualification.*

Similarly, Civil service as part of a profession plays an essential role in good governance and the sustainable development and of a nation. It is also a fundamental part of democracy since it serves as the neutral administrative structure, which carries out the decisions of elected

representatives of the people. Hence any democratic country expects its public service to show high standards ethics and professionalism, however as (Assefa, 2017) pointed out *Favoritism, nepotism and political loyalty* are among factors undermining civil service professionalism. This is especially true for middle and top-level leadership among Public civil servants in Ethiopia. Furthermore in his study on Ethiopia justice sectors (Dibaba, 2020) found out that the justice system is flawed and politically motivated and is in desperate need for professionalism and ethical revisions.

In summary all the listed cases and much more are indicative of the steep professionalism decline in Ethiopian context, which could be attributed to many internal and external factors. such as the quality of education system, the government regulation system and policy, in active (low performing) professional associations, the economy and much more. However, given that professional associations frequently have a vital role in training and maintaining a profession (Dixon & Emener, 1999; VanZandt, 1990) and as (Brubaker, 1981) detailed "*a profession's credibility can be assessed partially by the vitality and credibility of the association in this field.*". It is therefore apparent that professional association as a representative of the profession are key leads in the investigation of this issue to its core.

In addition, it is increasingly clear that PA has struggled to remain relevant in many sectors. Most professional groups struggle to maintain their membership, and the case of Ethiopia is no different. They regularly encounter changes that demand that they rapidly adjust to retain their unparalleled strengths, reduce their weak points, take advantage of their chances and counter any dangers. But these issues aren't still being tackled. (Harris, 1998) has shown that scholars have given little attention to the disruptions facing professional groups. In light of the scarcity of human resources and other resources, even well-run organizations are struggling to keep their membership and sustain other operations (Von Emster & Harrison, 1998).

In addition, although there are extensive literature on civil society organization practice challenges, setbacks and factors affecting their performance internationally and locally, such as research by (KASAYE, 2020) has shown, little has been researched specifically in the area of professional association and their relationship with their performance factors ,Specifically the Intra- organizational factor(internal factors), in our context. Therefore, this study wants to fill the research gap by illuminating whether the Intra-organizational factor's operationalized

as Management capacity, program performance and transparency have significant role in determining professional associations' performance in Ethiopia. In doing so wants to show the relationship magnitude and their effect.

## **1.4 Research Questions**

In general, the study will focus on determinant factors of organizational performance in professional associations in Ethiopia; and, the study shall seek answers for the following questions.

1. Does the theoretically outlined Intra-organizational factors affect professional associations' performance in Ethiopia?
2. Do the theoretically outlined factors categorized under management capacity affect professional associations' performance in Ethiopia?
3. Do the theoretically outlined factors categorized under project/program performance affect professional associations' performance in Ethiopia?
4. Do the theoretically outlined factors categorized under transparency affect professional associations' performance in Ethiopia?

## **1.5 Objectives of the Study**

### **1.5.1 General Objectives**

The general objective of the research is to find out whether the theoretically known Intra-organizational determinants affect performance of professional associations in Ethiopia.

### **1.5.2 Specific Objectives**

The objectives listed below shall be addressed to answer the key research questions:

1. Examine the significance of the determinant factors listed under management capacity, on the performance of professional associations' in Ethiopia.
2. Examine the significance of the determinant factors listed under project/program performance, on the performance of professional associations' in Ethiopia.
3. Examine the significance of the determinant factors listed under transparency, on the performance of professional associations' in Ethiopia.

## **1.6 Significance of the Study**

As no studies have been carried out in this field on Intra-organizational factors impacting the performance of professional associations in Ethiopia, this research attempts have been undertaken to remedy the research gap and may contribute to further understanding in the sector. For professional associations, policymakers and the regulatory authorities including the agency for CSOs, the research findings have a range of developmental significances.

Front and center the output of the research will allow professional associations to evaluate their organization by using the framework to identify and successfully manage significant performance bottlenecks. They can also start really representing the profession they stand for. In addition, their effectiveness will favorably reflect the professionalism of its members, thereby contributing research to recover falling professionalism in Ethiopia, which in turn will impact society.

It may therefore serve as a reference for the regulatory bodies to plan, monitor and sustainably evaluate these professional associations. The framework can assist benchmarking and cross-program comparisons in the measure that non-profit uses such standard measurements (Lampkin et al., 2006). They can also provide an insight into the elements affecting the performance of professional associations for the government and policy makers. The attitude to the industry and the degree to which stakeholders are involved.

## **1.7 Scope of The Study**

It is obvious that both internal and external variables affect a certain sector's performance either favorably or adversely. In addition, these external and internal variables may, depending on the conditions, be uncontrolled or manageable. This research however limits its scope to internal factors (Intra-organizational) specifically the variables clustered under management capacity, program performance and transparency as Intra-organizational determinants of performance in professional associations in Ethiopia. Furthermore, geographically it was limited to Ethiopia.

The Professional association performance will be measured by such objective variables like active membership growth based on a survey on cross-sectional data. Hence other possible objective measures which are financial or non-financial aren't considered in this study.

### **1.8 Limitation of the Study**

This study is the first of its kind on determinants of organizational performance of Professional associations since researches have not been done specifically on firm-level determinants of performance in professional associations in Ethiopia. Hence, the researcher was unable to review past researches on the topic which could be used as a point of reference. Furthermore, As indicated in the scope the study didn't not cover external factors which might affect the performance of professional associations since the time and resource dedicated won't allow it.

### **1.9 Organization of the Study**

This study paper contains Seven chapters and Chapter one deals with introduction about background of the study which is mainly focused on PA performance then PA's status in Ethiopia. Then Statement of the problem, researcher questions, objectives, limitations, significance of the study in relation to the situation in Ethiopia as well as the scope of the study are included in this chapter and closes by indicating the limitations of the study.

Chapter two comprises of literature reviews in relation to performance measurement, measures of performance in PA's and Intra-organizational performance determinants. This chapter is also included the criticisms of previous studies regarding performance measurement frameworks and the conceptualized model reached from the theoretical reviews.

Chapter three discusses the research design and the specific research methodology used. furthermore, the unit of analysis, types and sources of data used the sampling techniques, target population as well as data collection instruments are described in addition to the data processing and analysis methods including the validity and reliability tests used.

In Chapter four major findings from the Data analysis from primary and secondary data are interpreted and discussed in detail then summary, conclusions and recommendations are

covered in Chapter five includes the conclusion and recommendations and chapter 6 contains the references followed by chapter 7 indicating relevant annexes.

## **II. REVIEW OF RELATED LITERATURES**

### **2.1 Overview**

As there are limited research available regarding specific performance indicators on civil society organizations let alone their subset professional association, I am forced to search for existing literatures on theoretical frameworks regarding organizational effectiveness/performance indicators in the Non-profit sector. Which is the parent category of civil society organization (CSP/2019), where there are relatively good existing body of knowledge. However, the aim of the study is still to develop a conceptual framework of intra-organizational performance determinants for professional associations.

In this paper the publications on internal factors influencing organization's effectiveness are reviewed in a methodical manner. A systemic examination of all empirical data from the literature which corresponds to the topic of this study was carried out to gather and summarize. This strategy has been adopted since it does not consider analyzing statistical data and summarizing the results of meta-analysis (Tranfield et al., 2003).

Peer-reviewed literature, journals and book chapters were the main sources of data and information about organizational performance determinants in non-profits. Documents, which discussed organizational performance, non-profit effectiveness and performance measurement, were the main selection criteria.

After systematically reviewing the literature and existing theories on this topic, it was apparent that most of the studies used the existing theories in different context to form their own frameworks, hence selecting the studies, which have formed their own framework based on reviewing, and summarizing the existing literature was an approach chosen for this study. Through this approach, six studies were found to be relevant to this study. Then by screening the articles depending on the year they were written, three of the older articles were excluded. Then a detailed study on the remaining three articles is done.

## **2.2 Performance measurement in non-profits**

Measuring performance might be characterized as determining the extent to which an organization achieves its objectives. However, the concept of performance measurement is more nuanced. There are two dimensions of performance, for example. Efficiency and effectiveness. Effectiveness is described as the level to which shareholder/stakeholder requirements are met, whereas efficiency is defined as how economically the business's resources are utilized. Financial measures are mostly used to illustrate both dimensions.

However, with non-profits, the emphasis is no longer just on financial indicators; non-financial indicators have now joined the performance assessment arena. They don't employ financial measurements since they aren't trying to make a profit, but because there are other things to measure in non-profits, they are clearly capable and interested in doing so. (Medina-Borja & Triantis, 2007) go so far as to suggest that *“the ability of non-profit social service organizations to measure and evaluate performance is critical to their survival.”*

One crucial element in NGOs' long term performance measurements is the identification of acceptable indicators for measuring and assessing NGOs performance (Herman & Renz, 1999).

### **2.2.1 Why measure performance?**

Although non-profits are not under pressure from shareholders to explain the value they produce, they are under pressure from a wide range of stakeholders. According to (Zimmermann & Stevens, 2006), who investigated 149 non-profit organizations in South Carolina, the major incentive and rationale for monitoring performance was the need from external stakeholders. The second most popular motivation was to promote accountability and effectiveness; another motive was to obtain more funds and improve services.

Furthermore, (Medina-Borja & Triantis, 2007) emphasized the usefulness of performance assessment during organizational restructurings and rationalizations. In order to reorganize or reduce an organization without jeopardizing the quality of its services. It has the potential to be a useful tool. Performance measuring reveals organizational flaws, increasing the likelihood of identifying the relevant areas where changes are required and rationalizations are most needed (Medina-Borja & Triantis, 2007).

### **2.2.2 Performance measurement frameworks in non-profits**

In recent years, researchers have attempted to create frameworks for the non-profit industry. However, there aren't as many frameworks for non-profits as there are for for-profits.

There are several organizational effectiveness theories available in the theoretical literature on non-profit effectiveness (Mitchell, 2013). Nonetheless, (Forbes, 1998) discovered that, despite the various ways in which effectiveness has been studied, the majority of studies fall on one or a combination of three major models: “(a) *goal attainment model* (Price, 1972), (b) *systems resource model* (Yuchtman & Seashore, 1967), or (c) *reputational model* (Herman & Renz, 1997)”.

As a result of the vast amount of literature written based on the aforementioned models on performance determinants for non-profits, this study chose to evaluate literatures that attempted to summarize or compile the existing body of knowledge in order to develop multidimensional, integrated, and comprehensive models for organizational performance measurement. This analysis selected three of the most recent papers that summarized the body of knowledge, which are commented on below.

#### **2.2.2.1 Integrated measurement frameworks: Chongmyoung Lee and Branda Nowell**

Although numerous assessments have been carried out of organization's performance measurement methods such as (Baruch & Ramalho, 2006; Ritchie & Kolodinsky, 2003). They inclined to be more focused than comprehensive (for example, focusing on financial success), and in addition, most of the research did not address specific aspects of the non-profit sector. In this research by (C. Lee & Nowell, 2015) however, the current nonprofit measurement literature was examined and an integrated framework was created to sum up the several viewpoints that may be utilized in designing and evaluating non-profit performance.

(C. Lee & Nowell, 2015) evaluated NPO performance measurement frameworks existing in the literature between 1990 and 2012. They focused on practical performance assessment in non-profits. Electronic searches were carried out for five popular bibliographic databases to discover an initial population articles and books. Each article was then examined and only the items that included a clear foundation for a non-profit organization with specified scope and

features of non-profit performance were chosen. This resulted to 18 different NPO performance assessment frameworks being identified. Each source has been examined and the measuring framework utilized by each author has been determined to build an integrated framework.

The frameworks of each author have been studied so as to differentiate between the similar themes in the assessment and the non-profits performance views utilized by each author (C. Lee & Nowell, 2015). Each fundamental view of NPO performance comprises diverse ideas and accompanying measuring indicators, based on the common perspective. The results of this assessment therefore identified a non-profit achievement that included seven key points of view (C. Lee & Nowell, 2015).

*Which is A) Inputs:* The capacity of an NPO to access key resources (financial and or non-financial). Efficiency in using these resources to achieve resilience, growth and sustainability in the long run. *B) Organizational capacity:* Includes human and structural components, which enable an organization to deliver programs and services. *C) Outputs:* Emphasis on the organizational objectives, objectives and activities directly related to the fulfillment of the organization's purpose. The magnitude, breadth and the products and services quality provided by the business is also described. *D) Outcomes I:* Is associated to changes in behavior and the environment such as the target population status or to the conditions a program is meant to influence. Concentrates on the advantages of organizational activities. *E) Outcomes II:* also signifies the degree to which the organization completed and fulfilled the demands of the target group. *F) Public value accomplishment:* Is focused on the overall value or impression that the organization wishes to make on society. *G) Network/institutional legitimacy:* Emphasis on constructive relationships with other organizations, reputation in society and in the field, compliance to law and practices.

This study consolidated the many viewpoints promoted by scientists and offered an integrated non-profit measuring methodology. In doing so, (C. Lee & Nowell, 2015) emphasized how performance may be theorized in more than one appropriate way.

### **2.2.2.2 Comprehensive performance measurement and management frameworks: Mohammed Abo Ramadan and Elio Borgonovi**

NGOs encounter a dangerous and dynamic working environment and their overall efficiency requires that the diverse demands of the stakeholders are met by developing realistic performance assessment and management systems (Ramadan & Borgonovi, 2015). Measuring performance represents a major method for refining the work of non-profits as they encounter complex obstacles in delivering their programs and services. Non-profit organizations therefore need to assess and manage their performance from a variety of standpoint.

NGOs are trapped with notions such as the *inputs, outputs, results, impacts, sustainability, funds spent, funds raised, funds allocated and projects implemented* for many years as performance measurement frameworks. This method, however, requires a thorough understanding of how non-profit performance is handled, measured and what features/performance elements generate organizational success. (Ramadan & Borgonovi, 2015) Through their research attempts tried to provide an overview of several performance measuring frameworks and terminology for the NGO sector.

(Ramadan & Borgonovi, 2015) evaluated modern non-profit performance assessment frameworks (frameworks from 1998 to 2011) during their review. As a result, a wide range of well-known databases were searched, and both solitary and multi-dimensional performance assessment frameworks were investigated and classified. Their review of the literature focused on theoretical frameworks and empirical studies that demonstrate the importance of performance measurement and management to strategy at all levels, “*organizational transparency, organizational objectivity, organizational learning, efficiency, performance enhancement, and effectiveness*”(Ramadan & Borgonovi, 2015).

The study was aimed primarily at highlighting several measurement frameworks and their major indicators of success referenced in the literature. Therefore, the literature detailed a range of definitions and techniques for the measuring and management of performance in NGOs, but (Ramadan & Borgonovi, 2015) identified that no consensus exists as to which major components and measurements are to be used to evaluate the performance of NGOs. Further, this could be due to the misunderstanding of performance terminologies in non-

profits, (Moxham, 2010). The second reason is because in performance measures and management frameworks the organizational and internal indicators were partially addressed (Thomson, 2010). In addition, most of the frameworks stressed the performance of the programs and projects and disregarded organizational processes and activities. Therefore, a framework which encompasses all areas of NGOs is quite important. The efficient framework for NGOs should be implemented in practice in terms of the *financial aspect, organization and functions and program/project performance* as defined by (Ramadan & Borgonovi, 2015).

**Table 2. 1: Performance measurement framework: Mohammed Abo Ramadan & Elio Borgonovi**

		<b>Comprehensive performance measurement frameworks ( Mohammed Abo Ramadan, Elio Borgonovi)</b>	
<b>No</b>	<b>Performance Dimension</b>	<b>Performance measure</b>	
1	Organization process function	-strategic decisions -human resources (teams and individuals) -organizational culture - leadership	-communication channels -information systems -monitoring systems - rules and procedures
2	Financial sustainability	-fundraising efficiency -funds growth -funds utilization -budgeting control	-financial transparency -financial positioning -costs and expenses management -accounting /auditing
3	Program/project performance	-program/project resource allocation -program/project efficiency (inputs- output link) -program/project effectiveness (outcomes)	-program/project impact -program/project quality -program/project partnership

### **2.2.2.3 Multidimensional Conceptual Measurement Model: Kellie C. Liket And Karen Maas**

Although various research examined the past organizational effective literature only a full synthesis of the knowledge on Organizational Effectiveness was provided by a literature analysis done by (Forbes, 1998; Lecy et al., 2012). However, there is still no thorough recent summary about organizational effectiveness aspects in academic literature. (Liket & Maas, 2015) conducted a literature review of putative factors of nonprofit organizational efficiency. They also looked at how well a list of effectiveness-enhancing strategies based on academic researcher disclosures matches the views of a group of practitioners from Dutch non-profits. A strategy called “snowball” had been employed for the systematic literature review (Greenhalgh & Peacock, 2005), partly because a systemic literature evaluation of predicted OE variables had trouble setting out adequate keywords of search. These papers are chosen from either chapter in books explicitly focusing on NPOs or the ISI / Social Science Citation Index-listed peer-reviewed publication.

A focus group consisting of 20 members from the Dutch non-profit sector was organized during the second stage. It consisted of managers, consultants, managers, academics and in-house assessors. This group was then asked to list any variables that improve efficiency in management processes. The final questionnaire was subsequently drawn up, after the subsequent surveys, and submitted to the online "Knowledge Bank Philanthropy" database (contains over 5,000 Dutch NPOs). It is a company that administers NPO's data profiles in the Netherlands. A pilot research was carried out in connection with all NPOs focused on health improvement (N = 554). 83 completed survey questionnaires were available Of the 554 organizations participating in the project, the response rate is 15%. Subsequently, a final questionnaire consisting of 26 items was prepared following examination of the pilot study results. In addition to this, the components are structured into nine measurements, grouped into three core concepts, which are *organizational characteristics, transparency, and the program* (Sowa et al., 2004).

Organizational Characteristics includes three subcategories namely *A) Focus, B) Strategy and C) the board*. *A) Focus: Address* whether an organization works clearly and directly to advance its objective. Firstly, the literature proposes an accurate and thorough Mission Statement, and then examine how much the Mission Statement and major operations of the

NPO connect together (Copps et al., 2010). *B) Strategy*: is linked to practices involved with the creation of the strategic plan. In its initial practice, NPOs should do a contextual analysis, exploring dangers and possibilities in the environment and examining the practices of comparable non-profit organizations and other relevant organizations. The literature also advises that the extent to which a plan may be affected by unanticipated occurrences be examined in the context of organizations in risk analysis (Carman & Fredericks, 2010). *C) The board*: Is Legally accountable for ensuring that the mission of the organization is carried out (Ostrower & Stone, 2006), the literature shows that a clear distinction exists between the Board and the executive body on and their tasks and responsibilities.

Transparency is the key to ensuring that non-profit stakeholders are responsible in line with recipients' needs. In addition, transparency helps to examine the extent to which an institution performs its trust and legal obligations (Sloan, 2009). Transparency is composed of three constructs: *A) reporting, B) online publication and C) accessibility. A) Reporting*: is a crucial beginning step for non-profits in developing transparency with respect to their past, present, and future operations. It enables the organization to be transparent with many stakeholders, therefore maintaining duty to funders (upward accountability), responsibility to other non-profits (horizontal accountability), and responsibility to beneficiaries (downward accountability) (Ebrahim, 2010). *B) Accessibility*: Indicates the degree to which a corporation is open to queries and complaints. The accessibility practices assess the extent to which non-profits can be reached by their stakeholders, such as funders and beneficiaries, using means such as email, phone, and mail. *C) Online publication*: This term refers to a non-profit organization's ability and willingness to share information with the public. For non-profits to disseminate information and for stakeholders to access it, the Internet provides a straightforward and low-cost option (Gandia, 2011).

Programs includes three sub categories namely *A) Design, B) Ownership and C) Evaluation. A) Design*: When it comes to project/program design, successful design practice suggests that we must base program decisions on empirical data that includes input from all key stakeholders (Copps et al., 2010). *B) Ownership*: It refers to the management of project/program design and implementation. It is founded on the reasonable understanding that programs will be more effective if beneficiaries have a say in their decisions (Wandersman et al., 2005). *C) Evaluation*: Past practice advises that beneficiaries and other

parties involved in designing, implementing, analyzing and interpreting the evaluation process should be involved along the course of evaluating programs.

Given the additional pressures on non-profits to demonstrate their efficiency, an alternative method has been demonstrated by (Liket & Maas, 2015), based on a measurement of the level to which the organization has implemented certain management practice, which scientists and experts believe to have an impact. Unlike most organizational effectiveness research, the practices presented by (Liket & Maas, 2015) a multi-dimensional conceptual model with potential implications on organizational efficiency contrast to the single-dimensional focus.

However, the practices described here is not in-depth, because of its partial reliance on the opinions of managers from NPOs in the Netherlands they are sensitive to their context. They are also taken from research, which has employed a range of organizational effectiveness conceptualizations and metrics. Their translation into questionnaire items might therefore risk losing its original validity. Yet, all practices followed and their accompanying questionnaire items have been exposed, because of the use of the many steps approach, to the opinions of practitioners who expressly perceive organizational efficiency as progress in the goal.

**Table 2. 2: Performance measurement framework: Summary of literature**

<b>Performance dimension for Non-profits</b>			
<b>No</b>	<b>Chongmyoung Lee and Branda Nowell</b>	<b>Mohammed Abo Ramadan and Elio Borgonovi</b>	<b>Kellie C. Liket And Karen Maas</b>
1	Input	Organization process function	Transparency
2	Organizational capacity		
3	Outputs	Financial sustainability	Organizational characteristics
4	Outcomes: behavioral and environmental changes;		
5	Outcomes: client/customer satisfaction;	Program/project performance	Program
6	Public value accomplishment:		

7	Network/institutional legitimacy:		
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### **2.3 Conclusion and Gap in Literature**

As per the researcher knowledge, there is no comprehensive study on performance measurement system in nonprofit organizations in Ethiopian context, specifically, from Professional associations stand point. Thus, from the above studies it's clear that the most common performance construct across the three studies is the organizational/management characteristic, then the second most common key performance variable is program/project performance. However the rest of the performance dimensions vary from study to study, thus the "Transparency" variable from (Liket & Maas, 2015) study is chosen because it relates to professional association view point as it is membership based and relates to this construct closely.

### **2.4 Intra-organizational Determinants of performance in professional association**

Professional associations are a non-profit member-oriented organization that serves its members and the society in dual terms. Professional organizations usually provide education, advocacy, networking, information and research functions.

Appropriating and choosing the intra – organizational performance indicators listed on the previous studies for the case of professional association (as part of civil society nonprofit organizations), based on their typical outputs lead to 3 main constructs which all together contains 10 determinant variables relevant for checking organizational performance of professional associations. Each construct is elaborated below.

#### **2.4.1 Management capacity**

Researchers generally agree that effective non-profitable organizations are managed in a similar way (Herman & Renz, 1999). This framework breaks down many of the various measurements of management structures and procedures indicated in organizational performance research into a single overall structure, known as management capacity (Sowa et

al., 2004). "Capacity" here indicates how the company functions, the structures in place and the functional procedures that guide and control its activities.

To further, elaborate these construct six variables were chosen and discussed below which are; Strategic management practices of the association, Leadership, fundraising efficiency, financial position, Human resource management practices and technology adoption.

#### **2.4.1.1 Strategic management practices**

Strategic management is one indication of effectiveness in non-profits, according to (Ramadan & Borgonovi, 2015) Strategic management in nonprofit organizations is the process of determining an organization's goals, establishing the strategic programs needed to achieve those goals, and developing the procedures needed to ensure that the policies and strategic programs are carried out.

In the institutional sense, strategic management objectives are: marking the presence and support of the organization; formulating short- to medium-term strategic plans; applying long-term strategic plans; defining consumers, informing, training, and employees; using cost analysis and interpretation to manage the organization; and finally analyzing its effectiveness. Hence based on the argument above, the subsequent hypothesis is proposed.

Hypothesis 1: Strategic management practices has a significant effect on professional associations' performance in Ethiopia.

#### **2.4.1.2 Leadership**

According to (Ramadan & Borgonovi, 2015) leadership is one indicator of non-profit performance. Good leadership is founded on the capacity to cultivate and sustain people's commitment to working together to achieve something great. Great leaders are resourceful, imaginative, and unafraid of the difficulties that face their sector. They use their experience to back up their knowledge, negotiate contracts, and handle complex budgets. Furthermore, by providing an example, they attract and support people to the objective.

Hence based on the argument above, the subsequent hypothesis is proposed.

Hypothesis 2: leadership has a significant effect on professional associations' performance in Ethiopia.

#### **2.4.1.3 Fundraising efficiency**

The fundraising efficiency, as described in (Ramadan & Borgonovi, 2015) is one indication for non-profit success. This is the amount a non-profit invests in raising one ETB. The Fundraising Efficiency Ratio is used by NPOs to assess how effective the organizations can raise funds as a critical performance indicator for non-profit organizations. It is calculated by dividing the unrestricted contributions (the incomes from donors who do not specify where it must be used) by the unrestricted fundraising expenses (is the money spent by the not-for-profit in order to collect the unrestricted contributions).

In general, the fundraising efficiency ratio of non-profits should be larger than one. As it is generally assumed that an organization should generally spend less money on fundraising than it receives in donations. Hence, the higher the ratio the more effective the organization's fundraising is.

Hence based on the argument above, the subsequent hypothesis is proposed.

Hypothesis 3: Fundraising efficiency has a significant effect on professional associations' performance in Ethiopia.

#### **2.4.1.4 Financial position**

Financial position of a company is indicative of its financial sustainability. There is currently no agreed-upon definition of financial sustainability, but in general, it refers to the ability to provide long-term support to your beneficiaries. It's the polar opposite of having to stop doing something because you've run out of money. Furthermore, even if external donor financing is not available, an organization is considered financially viable provided its primary mission will not be jeopardized. Financial sustainability could be checked through the associations' financial position.

Financial status is one measure of performance in non-profits, according to (Ramadan & Borgonovi, 2015). The assets and liabilities of a non-profit organization are reported on the statement of financial position (which is comparable to a balance sheet for a corporation). It indicates When the assets will convert into cash and when the obligations must be paid, in

some sequence. The figures are as of the header date, which is generally the end of a month, quarter, or year.

Hence based on the argument above, the subsequent hypothesis is proposed.

Hypothesis 4: Financial position has a significant effect on professional associations' performance in Ethiopia.

#### **2.4.1.5 Human resource management**

Human resource management is one indication of effectiveness in non-profits, according to (Ramadan & Borgonovi, 2015) NPOs' staffing decisions are among the most important ones they make. "An effective non-profit manager must strive to get more out of the people he or she has," Peter F. Drucker said in *Managing the Non-Profit Organization*. *"The output of human resources impacts the overall performance of the organization. Furthermore, that is determined by the fundamental personnel decisions: who we recruit and who we dismiss; where we position people; and who we promote. The quality of these human judgments affects whether the company is being managed seriously, if its purpose, beliefs, and objectives are genuine and relevant to people, rather than merely public relations and jargon."*

Hence based on the argument above, the subsequent hypothesis is proposed.

Hypothesis 5: Human resource management has a significant effect on professional associations' performance in Ethiopia.

#### **2.4.1.6 Technology Adoption**

The technological application is a driver for performance in NPOs as stated by (Sowa et al., 2004) Mogus and Austen Levihn-coon draw a number of lessons from non-profit organizations which show that companies require digital expertise at senior management level in order to be able to embrace technology efficiently. In addition, they suggest the business must distribute digital skills rather than be restricted to an IT staff.

This means that technology is not chasing gadget; it is deliberately chosen digital tools that allow employees and stakeholders to carry out the goal of the company. It is an innovation culture that embraces digital, non-digital or hybrid solutions. The incorporation of technology

improves the efficiency and effectiveness an organization's operations and allow the successful completion of its mission.

Hence based on the argument above, the subsequent hypothesis is proposed.

Hypothesis 6: Technology adoption has a significant effect on professional associations' performance in Ethiopia.

#### **2.4.2 Program Performance**

A non-profit program is an integrated collection of resources and functionalities, designed to offer beneficiaries a closely associated set of services. Most non-profit structures are at the heart of the programs. The efficiency/performance of the organization is therefore influenced both by the efficiency/performance of organizational programs, in terms of how they are constructed and how they affect the final outputs of the program. Many NGOs have been specifically created to generate significant changes in the lives of individuals they serve. The performance of programs reflects both the way in which programs are developed and implemented and the perception they have.

To further elaborate this construct two variables were chosen and discussed below which are Program resource allocation of the association and their overall Program delivery status.

##### **2.4.2.1 Program resource allocation**

The numerous resources required for the execution of any programs are program resources such as facilities, money, clients, program employees, volunteers and many more. The distribution of program resources is, as indicated in (Ramadan & Borgonovi, 2015), one measure of non-profit performance. In addition, action should be taken on the degree of material resources, including financial resources and staff resources, provided for a program.

Having an accurate program cost, leaders in nonprofit are more equipped to plan and manage budgets and in turn successfully accomplish their mission. Furthermore, with precise information about each program's costs, non-profit directors can better plan and manage their budgets and achieve their objective successfully.

Hence based on the argument above, the subsequent hypothesis is proposed.

Hypothesis 7: Program resource allocation has a significant effect on professional associations' performance in Ethiopia.

#### **2.4.2.2 Program delivery**

The implementation of programs is one measure for non-profit performance as shown in (Liket & Maas, 2015). However, (Lin, 2000) verified that, although completely implemented, programs may, in reality, be reflected in various levels of implementation such as subverted, ignored and abandoned implementation of the programs. Consequently, it is thought that advising and participating in the program design phasing out is vital for people who are affected by the programs. This, further, helps their feeling of ownership (Gibbs et al., 1999). In this situation ownership involves controlling program design and implementation. It is founded on reasonable knowledge that programs work when recipients have a say in their decisions (Wandersman et al., 2005).

The evaluation of programs for the final phase in project delivery advises that, where feasible, beneficiaries and others should be involved with developing, carrying out, analyzing and interpreting the assessment process. Whenever possible.

Hence based on the argument above, the subsequent hypothesis is proposed.

Hypothesis 8: Program delivery status has a significant effect on professional associations' performance in Ethiopia.

#### **2.4.3 Transparency**

Transparency is frequently regarded as one of the most essential procedures via which NPOs hold stakeholders to account (Edwards & Hulme, 1996). It is the first step in building stakeholders' capacity to hold a NPO responsible to donors, clients and others (Edwards & Hulme, 1996). Openness allows stakeholders not only to hold NPOs responsible to recipients' demands, it also gives indicators of the amount to which they perform their trust and legal obligations (Sloan, 2009).

To further elaborate this construct two variables were chosen and discussed below which are financial and organizational transparency of the professional associations.

### **2.4.3.1 Financial transparency**

Financial transparency is key non-profit performance indicator, as indicated in (Liket & Maas, 2015). It is mainly achieved by reporting. Reporting is a major first step in opening the past, existing and future actions of NPOs. It measures to the extent that a non-profit organization reports on the availability of things like a strategic plan. The existence of an annual report, which should include:

*A)Reporting:* is focused on how far the planned objectives are fulfilled, which should supports the NPO and its stakeholders in critical examination of their strategy (Edwards & Hulme, 1996). *B)Financial reporting:* is aimed at developing the confidence of the public, as well as of past, current and future employees and contributors (Dalsimer, 2013). "*There is no way to see if their approach is successful or failed without inspecting how far objectives are reached*" (Kaplan, 2001) The accountability between the non-profit organization and its different stakeholders is severely hampered without such reporting. *c) A budget declaration:* for the next financial year that illustrates the lessons gained from achieving the objectives in the future strategy (Kaplan, 2001).

Hence based on the argument above, the subsequent hypothesis is proposed.

Hypothesis 9: Financial transparency has a significant effect on professional associations' performance in Ethiopia.

### **2.4.3.2 Organizational transparency**

As denoted in (Liket & Maas, 2015),organizational transparency is one indicator of performance in non-profits. It is depicted through accessibility and online publication.

To be transparent, an institution must report information, but for inquiries and concerns it also needs to be accessible. The accessibility practices measure the level of accessibility to NPOs via mail, e-mail and telephone to their stakeholders. It also questions if the business has procedures in place to get feedback and to deal with them (Saxton & Guo, 2011). Finally, a website needs to be provided because currently the Internet is a crucial instrument for transparent operation of NPOs (Saxton & Guo, 2011).

In addition, the Internet gives NPOs with an easy and generally cheap means of publishing information and getting stakeholders (Gandia, 2011). Given the current significance of the

Internet, it is typically advisable that the strategic plan be made available online, that the annual report and the identification of all the members of the board.

Hence based on the argument above, the subsequent hypothesis is proposed.

Hypothesis 10: Organizational transparency has a significant effect on professional associations' performance in Ethiopia.

## **2.5 Operationalization of organizational performance in professional associations**

An essential aspect of the long-term concern of NGOs' performance evaluation is knowing the relevant indicators to be taken into consideration when monitoring and assessing NGOs' performance (Gill et al., 2005). That also applies to professional associations.

The multidimensionality of organizational performance is agreed, however the indicators used to determine the variable differs in the way that they are, thus it is difficult to compare the findings from the different research because of their multidimensionality.

In organizational performance measurement of professional associations both subjective and objective metrics are available. Subjective actions, which change depending on the performance and views of the respondent, will differ between associations and sectors. The use of subjective measures is based on the theory of contingency which argues that the environment determines the results, where the research findings cannot be generalized, since the underlying assumption is that performance is based on the specific context in which a company operates and a perception of associations' success by the respondent. Again, this presents a barrier to study by not generalizing such findings. In addition, methods differ across associations, which might challenge the comparison of findings between associations and sectors using subjective metrics.

As a result, the employment of objective measurements is regarded suitable in this circumstance. Objective measures are classified into two types: financial and nonfinancial. When it comes to the financial performance of non-governmental organizations, fundraising efficiency is a common key element that has been widely raised and underlined in the literature. (Andreasen et al., 2008) outlined fundraising efficiency as the process of acquiring

money for the survival of non-profit organizations. This is also true of professional associations.

The donor dependence ratio is used to calculate fundraising efficiency (Epstein & McFarlan, 2011) However, because this variable is used as an independent variable, as well as the difficulties in acquiring numerical evidences such as financial and sales-related data (because most businesses are hesitant to reveal such data), the researcher is obliged to utilize non-financial objective measurements.

As a result, membership growth is one of the major objective indicators for professional groups. Furthermore, the number of professionals that join and engage in a professional association may be used to assess its viability (Miles, 1980). Professional organizations exist because of membership, and they prosper because of active membership (Sherman, 1963). Active membership is critical because professional associations, like many volunteer organizations, derive a large portion of their value from the coproduction of their members (Gruen et al., 2000).

In this study, as mentioned above, organizational performance measure has been operationalized as active membership growth rate of each of the 33-professional association. That is, the difference of current year actual active members ( $x_t$ ) and previous year active members ( $x_{t-1}$ ) divided by previous year active member's value ( $x_{t-1}$ ), and then, the result converted to percentage. In this manner, active member's growth rate will be taken as a dependent variable.

## **2.5 Conceptual frameworks**

As explained in the previous section, the Intra-organizational performance determinants for professional associations falls in four categories, namely, *Management capacity, Program performance, and transparency.*

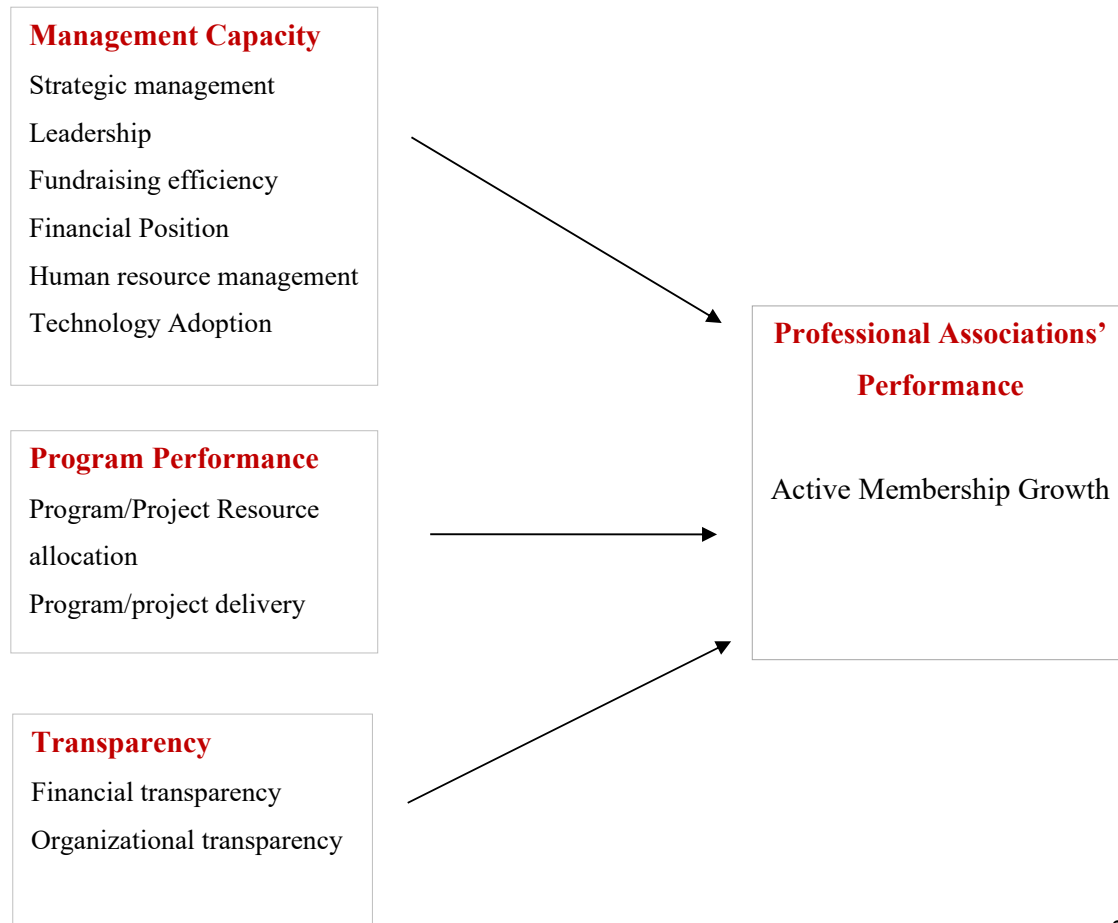
Accordingly, Management capacity is operationalized as Strategic management, Leadership, Fundraising Efficiency, Firm Financial Position, Human resource management and Technology Adoption. Similarly, Program performance is operationalized to Program/Project

Resource Allocation and Program/project delivery. Likewise, Transparency is operationalized as Financial Transparency and Organizational transparency.

In regards to organizational performance measurement, active Membership growth rate is taken as a measure of organizational performance in professional associations. As a result, the researcher used the membership growth rate, which will be collected from the associations, as organizational performance measure. Accordingly, the three years (2018-2021) membership growth rate will be calculated and the three years average will be taken as objective measure of organizational performance of professional association.

Thus, the researcher has adopted & customized the below model to conceptualize the theory and Show the actual specific organizational factors in the case of the Ethiopian professional associations.

**Figure 2. 1: Conceptual Framework**



### III. RESEARCH METHODOLOGY

#### 3.1 Introduction

Research methodology is the methodical, theory-based analysis of the processes utilized in a field of study. *“It is a theoretical assessment of a set of procedures and concepts associated with a certain topic of knowledge. It typically include concepts like as paradigms, theoretical models, and qualitative or quantitative techniques”* (Irny & Rose, 2005).

As a result, this chapter discusses how the study's methodological framework will be used to achieve the research objectives. The study area description, research strategy, research design, unit of analysis, source of data, sample design, target population, data analysis, validity & reliability, and ethical considerations are all elaborated below.

#### 3.2 Study Area Description

Professional association as one constituency of CSOs. Are regulated by ACSO. As indicated in the current organization for civil societies proclamation number 1113/2019 article (6), the agency for civil society organizations has the function and power to; register organizations, support, follow up, facilitate and coordinate their activities, monitor and supervise their compliance with the law, examine the annual activity and financial reports of civil societies in Ethiopia.

The study area is chosen to be Ethiopia, however only the active registered professional associations in Ethiopia (Table 3.1) are considered for this study only the ones working on the federal level. The study includes the 65 active professional association distributed across various regions in Ethiopia, which are engaged in various industries and sectors.

**Table 3. 1: distribution of professional Association (Actively re-registered) by Region**

No	Region	Number of PA's	Percentages
1	Addis Ababa	61	93.8
2	Oromia	2	3.07
3	Amhara	1	1.53
4	SNNPR	1	1.53
<b>Total</b>		<b>65</b>	<b>100</b>

Source: ACSO

### **3.3 Research Approach**

The researcher mostly used quantitative research to achieve the research purpose, which was to explore the intra-organizational determinants of performance in professional associations by Using questionnaires. Quantitative research is an inquiry into an identified problem that is based on testing a theory, quantified using statistics, and statistically analyzed to validate or disprove predetermined assumptions regarding the relationships between certain variables.

### **3.4 Research Design**

As (Kothari, 2004). indicated, the conceptual framework by which research/studies is carried out is generally referred as research design, additionally it helps guide the data collection, measurement, and analysis process.

The research design for this study will be explanatory research because the researcher wishes to identify and investigate the relationship between the identified intra-organizational performance determinants in professional associations' (independent variables) and professional association performance (dependent variable). That is, rather than reporting what has been answered, the researcher has no influence over the factors.

Furthermore, an explanatory research design will be used in the study to grasp and explain the cause and effect relationships between variables, as well as to assess the effects of the alleged cause on confounding factors. Furthermore, data will be acquired via a written structured questionnaire (electronical) utilizing the cross-sectional survey approach since it is the most cost-effective, time-efficient, and quickest.

### **3.5 Unit of Analysis**

In this study, each professional association is a unit of analysis since organizational-level performance determinants in Professionals associations are related with the respective professional association performance.

### 3.6 Sample Design

There are two types of sampling procedures: those that use probability standards (random or probability samples) and those that use non-probability criteria (no probability samples). The non-probability sampling strategy is applied, with samples selected depending on their availability or accessibility (Diamantopoulos & Schlegelmilch, 2000). Furthermore, researchers frequently employ non-probability sampling to acquire a large number of completed surveys in a cost-effective and timely manner (Zikmund et al., 2003).

During Probability sampling, each sample has the same probability of being picked. In probability sampling each member of the population has a known non-zero chance of being selected. This sampling method calculates the probability that a sample is representative of a population. To carry out this research, the probability sampling approach is used. The probability sampling technique, essentially simple random sampling, is used to determine the sample for the study, which is professional associations in Addis Ababa.

#### 3.6.1 Target Population

The study's target population includes all professional association currently re-registered (civil societies proclamation number 1113/2019) in Ethiopia. According to the data obtained from ACSO, there are only 65 active professional associations in Ethiopia which have actively re-registered based on the request of the new proclamation, hence the rest of the PA's are not considered in this study.

As a result, data collection and analysis require a small yet representative sample frame. As a result, the researcher employed a simple random sampling procedure to estimate sample size, allowing him to have an adequate sample size to reflect the target population. The samples were gathered from Addis Ababa-based professional organizations. To calculate sample size, statistical approaches based on (Kothari, 2004), were utilized, such as the simplified formula given below.

$$n = \frac{z^2 \cdot p \cdot q \cdot N}{e^2(N - 1) + z^2 p \cdot q}$$

Where

*n* = is the research's sample size

$z$  = confidence level for normally distributed population, usually at 95 % ( $z=1,96$ )

$p$  = proportion or ratio of variable, statistically it is indicated that  $p=0.5$  is used when to get optimal sample size or even if the value is unknown.  $q=1-p=1-0.50=0.50$

$e$  = margin of error, considering at 7.5%

$N$  = total population, 65,

Thus, the sample size for this study is

$$n = \frac{(1.96)^2 \times (0.5) \times (0.5) \times 65}{(0.075)^2 \times (65-1) + (0.5) \times (0.5) \times (1.96)^2}$$

$$n = 47$$

As a result, the statistically determined sample size for this investigation is 47. A total of 47 questionnaires were delivered to the selected organizations' respondents. Similarly, using a convenient sampling approach, the sample respondents will be chosen based on a criterion that the data to be obtained should come from respondents who are managerially positioned (middle or upper level) in the organization. As a result, the data was intended to be gathered from a single respondent from each of the 47 qualified Professional Associations.

### 3.6.2 Sources of Data

In general, research data sources are primary data (firsthand information) and secondary data (Secondhand/indirect information) (Saunders et al., 2007). This study will rely heavily on primary data as its major source of information. Because Structured Survey questions are widely used in business and management research. The primary data for this study were collected from chosen professional associations via an internet survey with a written structured questionnaire.

In addition to primary data, the study will make use of secondary data. Secondary data will be gathered through yearly reports, periodicals, pamphlets, books, and other sources, mostly from the Agency for Civil Society Organizations (ACSO).

**Table 3. 2: Measurement of variables**

No	Construct	Variable	Measurement
1	Management Capacity	Strategic management	5 points Likert scale

		Leadership	5 points Likert scale
		Fundraising efficiency	5 points Likert scale
		Financial Position	5 points Likert scale
		Human resource management	5 points Likert scale
		Technology Adoption	5 points Likert scale
2	Program Performance	Program/Project Resource allocation	5 points Likert scale
		Program/project delivery	5 points Likert scale
3	Transparency	Financial transparency	5 points Likert scale
		Organizational transparency	5 points Likert scale
4	PA's Performance	Active Membership	Active Membership Growth Rate

### 3.6.3 Data Collection Instrument

To collect primary data, written structured questionnaires would be employed, and the researcher was forced to accept and adapt a questionnaire developed by three distinct sources for this purpose. (Abebe, 2019; Fantaye, 2018; Liket & Maas, 2015)each for different sector. According to the conceptual framework of this study, the researcher made amendments and included extra questions for each of the three variables. Following that, it will be disseminated to a random sample of responders. In addition, secondary data regarding annual membership data (performance indicator) on Professional associations will be collected from annual report submitted to ACSO.

### 3.7 Data Analysis

The data analysis will be done using descriptive and inferential statistics. Specifically, means and standard deviation are used for descriptive analysis part. A computer program called Statistical Package for Social Science (SPSS) will be used for inferential analysis part. Descriptive statistical analysis will be presented in a form of frequency, percentage, mean and standard deviation. Thereafter Correlation analysis will be applied to analyze the relationships between the variables and also multiple linear regression analysis will be employed to estimate the effects of each independent variable (factors under the four

constructs) on the dependent variable (Professional association performance) which will help answer the research questions of the study. Finally, the findings were compared to the concepts described in the literature review and the conceptual model in order to reach conclusions and provide suggestions.

### **3.8 Validity and Reliability**

#### **3.8.1 Validity**

Although the questionnaire was adapted from sources such as (Abebe, 2019; Fantaye, 2018; Liket & Maas, 2015), it was modified in the sense that extra variables and questions were added to the chosen questionnaire. Above all, it is guaranteed that the questions were based on the material acquired as part of the literature study to ensure that they are indicative of what professional associations know about intra-organizational drivers of performance.

#### **3.8.2 Reliability**

The internal consistency of the research instrument is the key concern of reliability analysis. If the inquiry is repeated using the same approach, according to (Bell & Bryman, 2007), because many items were utilized in all categories, the internal consistency or reliabilities of the professional associations' firm-level predictors of performance will be evaluated using Cronbach's Alpha.

### **3.9 Ethical Considerations**

Ethical issues play a significant role in research methodology (Saunders et al., 2007). According to (Leedy & Ormrod, 2010), four major ethical considerations must be addressed during the study process. These include “*safeguards against harm, informed consent, the right to privacy, and candor with professional colleagues*” (Saunders et al., 2007).

As a result, the researcher made efforts to mitigate the impact of unethical problems related to the study. As a result, official letters were issued to the selected organizations stating the desire to utilize the professional Associations as a unit of study and assuring them that the data supplied to the research would only be used for academic purposes. This was critical in ensuring responders who may have believed they had disclosed sensitive financial and other pertinent information about their company.

## IV. DATA ANALYSIS & INTERPRETATION

The sample data was gathered through structured questionnaires and the questionnaires were designed and distributed to 47 respondents, only 33 questionnaires were filled and returned to the researcher. Of these, 14 were discarded due to invalid or incomplete data entries. Thus, the samples comprising of a total of 33 respondents were used for analysis with 70.2% response rate. As (Goyder & Leiper, 1985) reported that the acceptable range could vary between 30% and 70%. the studies response rate was adequate to proceed.

**Table 4. 1: Response rate of Questionnaires**

	Respondents		
	Correctly filled and Returned	Incorrectly filled	Not returned
<b>Number</b>	33	3	11
<b>Percentage</b>	70.2%	6.3%	23.4%

Source: Researcher's Survey, 2021

Data was obtained via standardized questionnaires and analyzed using SPSS Version 25 before generalization. The study made use of both descriptive and inferential statistics. This chapter interprets and discusses the data that was studied.

### 4.1 Demographic characteristics

The respondents' heterogeneity was examined, and the frequencies of respondents' demographic characteristics are shown in table 4.2 variable-1 33 respondents in total have participated in the study and 75.8% (25) are male and 24.2% (8) are female. This shows most respondents were males and the participation of females were very low.

Variable 2- Age distribution of the respondents shows that 39.4 % were above 40 years old, 30.3% are in age group of 36-40 and 27.3% are with the age range of 30-35. In general, more than 70 % of the respondents were above 36 years of age.

Variable-3 the educational qualification of the respondents, most of the respondents 42.4% were having first Degree, and 42.4% Master's Degree, followed by 15.2% PhD holders, and

no Diploma holders. These figures indicate that majority of the respondents were either First Degree or Masters holders.

Variable-4 PA's Age, the majority of the PA's (36.4%) have been in practice of more than 15 years, followed by 33.3 % which have been 6-10 years in practice, 24.2 % which have been 11-15 years in practice and the remaining 6.1 % have been 1-5 years in practice.

**Table 4. 2: Demographic Profile of the Respondents Items**

Variable	Group	Frequency	Percent
Gender	Male	25	75.8
	Female	8	24.2
	<b>Total</b>	<b>33</b>	<b>100</b>
Age	24-29	1	3
	30-35	9	27.3
	36-40	10	30.3
	Above 40	13	39.4
	<b>Total</b>	<b>33</b>	<b>100</b>
Education Level	Below Diploma	0	0.0
	Diploma	0	0.0
	First Degree	14	42.4
	Masters	14	42.4
	PHD	5	15.2
	<b>Total</b>	<b>33</b>	<b>100</b>
Professional Associations' Age	1-5	2	6.1
	6-10	11	33.3
	11-15	8	24.2
	Above 15	12	36.4
	<b>Total</b>	<b>33</b>	<b>100</b>
Management Experience	1-5	8	24.2
	6-10	5	15.2
	11-15	5	15.2
	Above 15	15	45.5
	<b>Total</b>	<b>33</b>	<b>100</b>

**Source: Researcher's Survey, 2021-SPSS 25**

Variable-5 Concerning management experience, 45.2% have more than 15 years' experience 15.2% have 11-15 years' experience, 15.2 % have 6-10 years' experience, and 24.2% have less than 5 years management experience. Thus, most respondents are categorized as highly experienced.

## 4.2 Data Reliability and Validity Test

### 4.2.1 Reliability test

The internal consistency of the research instrument when the study is repeated using the same procedure is the focus of reliability analysis. Cronbach's Alpha was used to evaluate the internal consistency of the study instrument. The closer the Cronbach's alpha coefficient is to one, the better the internal consistency of the scale items. In general Cronbach's alpha values larger than 0.7 are acceptable (George & Mallery, 2003) Scales with Cronbach alpha values greater than 0.7 were thought to be assessing the same underlying trait and so trustworthy (George & Mallery, 2003).

Multiple items were employed in the study to assess the intra-organizational determinants of professional association performance; hence, the items in the scales were submitted to reliability testing using Cronbach's coefficient alpha to establish internal consistency. As a result, each of the three constructions underwent a reliability test, and the results are summarized in the table below.

**Table 4. 3: Reliability statistics**

Constructs	Number of items in a group	Cronbach's Alpha coefficient
Management Capacity	22	0.744
Program Performance	5	0.716
Transparency	6	0.748

Source: Researcher's Survey, 2021-SPSS 25

As indicated in the table above, Cronbach's alpha test findings demonstrated that the instrument was deemed to be trustworthy since the values for each construct are in the acceptable range (above 0.7), Hence, no item deletion was required since it validates the internal consistency of the research instrument.

### 4.2.2 Validity Test

Validity, often known as the evaluation of the relationship between the variables to be included in a summed scale and its conceptual meaning (Hair, 2009). Using a comprehensive examination of literature, the researcher examined all factors. To assess factors, the researcher employed already validated measures from earlier study. Based on an examination

of well-known literature in the area of interest, furthermore certain elements were added. Others had to be rewritten to be more precise and clearer in order to improve the research tool.

### 4.3 Descriptive Statistics Analysis

In descriptive analysis, the respondents perception with regards to the dependent variable (PA's performance) and independent variables (Management capacity, Program performance and Transparency) were discussed.

The researcher intends to study how far the PA's viewed those elements in the variables utilizing statistical methods such as mean and standard deviation in this investigation. As a result, the variables' mean and standard deviation were calculated. The mean value indicates the average of all PA's responses on certain parameters, whereas the standard deviation reveals how much the results deviate from the mean. Hence, if the standard deviation is little, it implies that the replies are close; if the standard deviation is large, it indicates that the responses have a lot of variety(D. K. Lee et al., 2015).

To analyze the overall performance of professional associations, questions were developed for the three independent variables and were grouped into each independent variable namely, Management capacity (22 questions), Program performance (5 questions) and Transparency (6 questions).

**Table 4. 4: Criteria to scale mean score**

Strongly Disagree	1.00-1.80
Disagree	1.81-2.60
Moderately agree	2.61-3.40
Agree	3.41-4.20
Strongly agree	4.21-5.0

Source: (Lewis & Thornhill, 2013)

### 4.3.1 Descriptive Statistics of Intra-organizational factors affecting PA's performance

The overall mean Intra-organizational determinants of PA's performance were 4.11 giving a Substantial level of agreement of the respondents. From Intra-organizational determinants of PA's performance, the effect of Transparency has the highest mean value followed by program performance and the effect of management capacity has the least mean value.

**Table 4. 5: Overall Mean of Intra- organizational determinants of PA's Performance**

Variable	N	Total mean	SD
Management Capacity	33	<b>4.033</b>	<b>0.349</b>
Program performance	33	<b>4.139</b>	<b>0.539</b>
Transparency	33	<b>4.176</b>	<b>0.525</b>

Source: Researcher's Survey, 2021-SPSS 25

**Table 4. 6: Descriptive statistics**

No	Performance Variable	Frequency					Mean	SD
		SD (%)	D (%)	MA (%)	A (%)	SA (%)		
<b>1</b>	<b>Management Capacity</b>							
1.1	Strategic management							
	Having a clear, meaningful written mission statement, reflective of their fundamental purpose, values and people served has an effect on Active membership growth in PA's	-	-	3 (9.1)	16 (48.5)	14 (42.4)	4.333	0.645
	The associations' Periodic renewal of its strategic plan has an effect on its Active membership growth.	1 (3)	-	8 (24.2)	11 (33.3)	13 (39.4)	4.060	0.966
	The associations' non-stop use of strategies and resource tools which encourage creativity and communication has an effect on its active membership growth.	-	-	8 (24.2)	17 (51.5)	8 (24.2)	4.00	0.707
	The associations' regular review and	-	1	7	15	10	4.030	0.809

	evaluations of their community/ beneficiary's feedback affects its Active membership growth.		(3)	(21. 2)	(45. 5)	(30. 3)		
	The associations' use of Stakeholder feedback, to improve and modify their implementation and planning process, has an effect on its active membership growth.	-	-	8 (24. 2)	15 (45. 5)	10 (30. 3)	4.06	0.747
1.2	Leadership							
	The association leaderships' decisions when consistent with corporate policies, procedures, and objectives, has an effect on its active membership growth.	-	-	1 (3)	11 (33. 3)	21 (63. 6)	4.606	0.555
	The association leaderships' effective responsibility delegation, accountability and authority has an effect on its active membership growth.	-	-	1 (3)	16 (48. 5)	16 (48. 5)	4.454	0.564
	The association leaderships' encouragement of staff members initiative, involvement, and innovation has an effect on its active membership growth.	-	-	4 (12. 1)	13 (39. 4)	16 (48. 5)	4.363	0.699
	The associations leaderships' recognitions of optimal performance, and timely appreciation has an effect on its active membership growth.	-	-	3 (9.1 )	16 (48. 5)	14 (42. 4)	4.333	0.645
	The association Leaderships' courage to embrace change has an effect on its active membership growth.	-	-	3 (9.1 )	16 (48. 5)	14 (42. 4)	4.333	0.645
1.3	Fundraising efficiency							
	Availability of financial plan in the association consistent with its strategic	2 (6.1	4 (12.	10 (30.	9 (27.	8 (24.	3.515	1.175

	plan has an effect on its active membership growth.	)	1)	3)	3)	2)		
	Availability of Fundraising which is properly staffed, annualized, maintained by clear systems and multiple strategies has an effect on its active membership growth.	-	3 (9.1 )	12 (36. 4)	5 (15. 2)	13 (39. 4)	3.848	1.064
	Availability of funding diversification planning and access to additional resources has an effect on active membership growth in the association	-	2 (6.1 )	13 (39. 4)	11 (33. 3)	7 (21. 2)	3.697	0.883
1.4	Financial Position							
	financially stability has an effect on active membership growth in the association	-	1 (3)	8 (24. 2)	9 (27. 3)	15 (45. 5)	4.151	0.905
	Availability of Written financial control policies, including the of cash and deposits handling, plus over spending and disbursements approval has an effect on active membership growth in the association	-	-	14 (42. 4)	8 (24. 2)	11 (33. 3)	3.909	0.879
	Availability of Annual independent audit or review of the organization's financial condition, conducted by a Certified Public Accountant, has an effect on active membership growth in the association	-	3 (9.1 )	10 (30. 3)	13 (39. 4)	7 (21. 2)	3.727	0.910
1.5	Human resource management							
	Availability of a HR policy, staffing policies and regulations and a training and development plan has an effect on active membership growth in the association	-	1 (3)	4 (12. 1)	17 (51. 5)	11 (33. 3)	4.151	0.755

	Availability of professional development and training opportunities for employees' specifically on cultural sensitivity and personal development has an effect on active membership growth in the association	-	-	9 (27. 3)	14 (42. 4)	10 (30. 3)	4.030	0.769
	Availability of skilled workers which give the association a competitive advantage has an effect on active membership growth in the association	-	1 (3)	3 (9.1 )	11 (33. 3)	18 (54. 5)	4.393	0.788
	Employee satisfaction has an effect on active membership growth in the association	1 (3)	2 (6.1 )	6 (18. 2)	15 (45. 5)	9 (27. 3)	3.878	0.992
1.6	Technology adoption							
	Level of Technology the association implemented, has an effect on active membership growth in the association	4 (12. 1)	6 (18. 2)	5 (15. 2)	10 (30. 3)	8 (24. 2)	3.363	1.365
	The association leverage of resources (e.g. R&D, IT, etc.) has an effect on active membership growth in the association	4 (12. 1)	3 (9.1 )	9 (27. 3)	7 (27. 3)	10 (30. 3)	3.484	1.349
	<b>Management Capacity</b>						<b>4.033</b>	<b>0.349</b>
<b>2</b>	<b>Program Performance</b>							
2.1	Program/Project Resource allocation							
	Programs/project alignment with the association's core vision, mission and expertise has an effect on active membership growth in the association	-	1 (3)	5 (15. 2)	17 (51. 5)	10 (30. 3)	4.090	0.765
	Programs/projects being sufficiently staffed and resourced has an effect on active membership growth in the association	-	1 (3)	5 (15. 2)	16 (48. 5)	11 (33. 3)	4.121	0.780
2.2	Program/project delivery							

	Beneficiaries consultation in the design and implementation of programs/projects has an effect on active membership growth in the association	-	1 (3)	5 (15.2)	13 (39.4)	14 (42.4)	4.212	0.819	
	Program/project processes documentation to maximize Efficiencies and reliability has an effect on active membership growth in the association	-	2 (6.1)	5 (15.2)	13 (39.4)	13 (39.4)	4.121	0.892	
	Program/project evaluation which ensures high-quality program processes and achievement has an effect on active membership growth in the association	-	-	5 (15.2)	18 (54.5)	10 (30.3)	4.151	0.667	
	<b>Program Performance</b>						<b>4.139</b>	<b>0.539</b>	
<b>3</b>	<b>Transparency</b>								
3.1	Financial transparency								
	The association regular publishing of its annual financial report has an effect on active membership growth in the association	-	-	9 (27.3)	14 (42.4)	10 (30.3)	4.030	0.769	
	The association regular publishing the operating budget set for each year has an effect on active membership growth in the association	-	-	8 (24.2)	15 (45.5)	10 (30.3)	4.060	0.747	
3.2	Organizational transparency								
	The availability of various channels to access the association (1. postal mail; 2. phone; 3. email) has an effect on active membership growth in the association	1 (3)	-	2 (6.1)	12 (36.4)	18 (54.5)	4.393	0.863	
-	The availability of systemic procedures for dealing with questions, feedback	-	-	7 (21.)	12 (36.)	14 (42.)	4.212	0.780	

	and critiques in the organization has an effect on active membership growth in the association			2)	4)	4)		
	The association regularly publishing of its strategic plan and annual report has an effect on active membership growth in the association	-	-	5 (15. 2)	15 (45. 5)	13 (39. 4)	4.242	0.708
	The association regularly publishing of identities of its executive staff has an effect on active membership growth in the association	-	1 (3)	7 (21. 2)	12 (36. 4)	13 (39. 4)	4.121	0.857
<b>Transparency</b>							<b>4.176</b>	<b>0.525</b>

Source: Researcher's Survey, 2021-SPSS 25

#### 4.3.1.1. The Impact of Management capacity

The objective of this section is to examine the influence of Management capacity on professional association performance. In Management capacity, there are 22 questions each of which are related to the effect on professional association performance. As indicated in the table below, there are six variables under Management capacity: strategic management, leadership, fundraising efficiency, financial position, Human resource management, and Technology adoption. Each of these components' total mean is computed and outlined in table 4.7 below.

**Table 4. 7: Descriptive Statistics of Management capacity Variable**

<b>Variable</b>	<b>Total mean</b>
Strategic management	<b>4.097</b>
Leadership	<b>4.418</b>
Fundraising efficiency	<b>3.686</b>
Financial Position	<b>3.929</b>
Human resource management	<b>4.113</b>

Technology Adoption	3.423
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Source: Researcher's Survey, 2021-SPSS 25

### **Strategic management**

In this sub category, there were 5 questions each of which are related to the effect of strategic management on professional associations performance. As indicated in the above table, the overall mean of strategic management was found to be 4.097 and it shows there is overall agreement with the respondents on the impact of strategic management on professional association performance.

### **Leadership**

In this sub category, there were 5 questions each of which are related to the effect of leadership on professional associations performance. As indicated in the above table, the overall mean of leadership was found to be 4.418 and it shows there is strong agreement with the respondents on the impact of leadership on professional association performance.

### **Fundraising efficiency**

In this sub category, there were 3 questions each of which are related to the effect of fundraising efficiency on professional associations performance. As indicated in the above table, the overall mean of fundraising efficiency was found to be 3.686 and it shows there is overall agreement with the respondents on the impact of fundraising efficiency on professional association performance.

### **Financial Position**

In this sub category, there were 3 questions each of which are related to the effect of financial position on professional associations performance. As indicated in the above table, the overall mean of financial position was found to be 3.929 and it shows there is overall agreement with the respondents on the impact of financial position on professional association performance.

### **Human resource management**

In this sub category, there were 4 questions each of which are related to the effect of Human resource management on professional associations performance. As indicated in the above table, the overall mean of Human resource management was found to be 4.113 and it shows there is overall agreement with the respondents on the impact of Human resource management on professional association performance.

### **Technology Adoption**

In this sub category, there were 2 questions each of which are related to the effect of technology adoption on professional associations performance. As indicated in the above table, the overall mean of technology adoption was found to be 3.423 and it shows there is overall agreement with the respondents on the impact of technology adoption on professional association performance.

#### **4.3.1.2 The Impact of Program performance**

The objective of this section is to examine the influence of Program performance on professional association performance. In this construct, there are 5 questions each of which are related to the effect of Program performance on professional association performance. As indicated in the table below, under Program performance, there are two components: Program/Project Resource allocation and Program/project delivery. Each of the above components total mean is outlined in table 4.8 below.

**Table 4. 8: Descriptive Statistics of Program performance Variable**

<b>Variable</b>	<b>Total mean</b>
Program/Project Resource allocation	<b>4.105</b>
Program/project delivery	<b>4.161</b>

Source: Researcher's Survey, 2021-SPSS 25

### **Program/Project Resource allocation**

In this sub category, there were 2 questions each of which are related to the effect of program resource allocation on professional associations performance. As outlined in table 4.8, the

overall mean of program resource allocation was found to be 4.105 and it shows there is overall agreement with the respondents on the impact of program resource allocation on professional association performance.

### **Program/project delivery**

In this sub category, there were 3 questions each of which are related to the effect of program delivery on professional associations performance. As outlined in table 4.8, the overall mean of program delivery was found to be 4.161 and it shows there is overall agreement with the respondents on the impact of program delivery on professional association performance.

#### **4.3.1.3 The Impact of Transparency**

The objective of this section is to examine the influence of Transparency on professional association performance. In this construct, there are 6 questions each of which are related to the effect of Program performance on professional association performance. As indicated in the table below, under Transparency, there are two components: Financial transparency and Organizational transparency. Each of the above components total mean is outlined in table 4.9 below.

**Table 4. 9: Descriptive Statistics of Transparency Variable**

<b>Variable</b>	<b>Total mean</b>
Financial transparency	<b>4.045</b>
Organizational transparency	<b>4.242</b>

Source: Researcher's Survey, 2021-SPSS 25

### **Financial transparency**

In this sub category, there were 2 questions each of which are related to the effect of financial transparency on professional associations performance. As indicated in the above table, the overall mean of financial transparency was found to be 4.045 and it shows there is overall agreement with the respondents on the impact of financial transparency on professional association performance.

### **Organizational transparency**

In this sub category, there were 4 questions each of which are related to the effect of organizational transparency on professional associations performance. As indicated in the above table, the overall mean of organizational transparency was found to be 4.242 and it shows there is strong agreement with the respondents on the impact of organizational transparency on professional association performance.

### **4.4. Correlation Analysis**

The link or relationship between variables is referred to as correlation. Correlation analysis assesses the strength of any pair of variables' linear connection (Bewick et al., 2003)

The Pearson product moment correlation is a popular method for calculating a correlation coefficient. According to the approach, the correlation coefficient has a value of 'r' that ranges between +1 and -1. Positive values of 'r' positive correlation between two variables and negative values indicate negative correlation. A 'r' value of 0 implies that no systematic link exists between two variables.

*“Correlation coefficients of 0.70 and higher are considered to have strong association, while those between 0.50-0.69 have substantial association, those between 0.30-0.49 have moderate association, those between 0.10-0.29 have low association, and those with 0.09 and below are considered to have negligible association” (Davis, 1971); as cited by (Akmaliah & Hisyamuddin, 2009)*

As indicated in table 4.8, active membership growth rate(dependent Variable) has strong positive association with management capacity ,  $r = 0.790$ ,  $p < 0.01$ and statistically significant at 99% confidence interval ,With regard to program performance and transparency There was substantial correlation between active membership growth rate and statistically significant at 99% confidence interval.

In regards to the correlation among independent variables, the result indicated that the correlation between program performance and management capacity is positive and substantial but, the association between program performance and Transparency is negative

and significant. finally, the association between management characteristics and Transparency was positive and statistically significant.

**Table 4. 10: Correlations Analysis**

		<b>PA active membership</b>	<b>Management Capacity</b>	<b>Program performance</b>	<b>Transparency</b>
<b>PA active membership</b>	Pearson Correlation	1.0	0.790**	0.507**	0.546**
	Sig. (2-tailed)		0.000	0.003	0.001
	N	33	33	33	33
<b>Management Capacity</b>	Pearson Correlation	0.790**	1.0	0.536**	0.225
	Sig. (2-tailed)	0.000		0.001	0.208
	N	33	33	33	33
<b>Program performance</b>	Pearson Correlation	0.507**	0.536**	1.0	-0.148
	Sig. (2-tailed)	0.003	0.001		0.410
	N	33	33	33	33
<b>Transparency</b>	Pearson Correlation	0.546**	0.225	-0.148	1.0
	Sig. (2-tailed)	0.001	0.208	0.410	
	N	33	33	33	33

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Source: Researcher’s Survey, 2021-SPSS 25

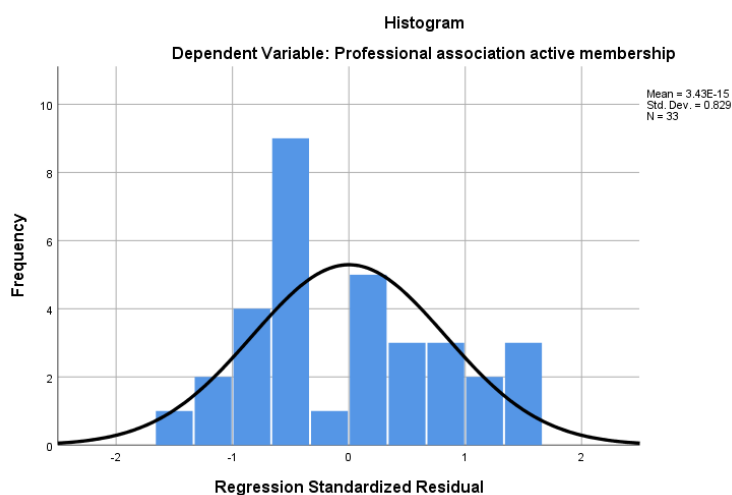
#### **4.5. Diagnostics of Regression Assumptions**

Before beginning a regression analysis, it is vital to run a regression assumptions diagnostics test, as violations of these assumptions may result in erroneous findings. As a result, five key assumptions must be examined and demonstrated to be relatively well satisfied. Each test discussed below:

### 4.5.1 Normality

The normality assumption implies that Y is normally distributed for any fixed value of X. The residual was tested for normality using a histogram, and the results showed that the residual is near to normally distributed, as seen in the accompanying histogram. The dots in the P-P plots are likewise relatively close to the typical line. The results of both examinations indicate that the residuals are regularly dispersed.

**Figure 4. 1: Histogram of Membership growth**



Distribution's symmetry is measured by Skewness, whereas Kurtosis is a distribution's peakiness or flatness (Hair, 2009). As a result, Skewness (-2 & +2) and Kurtosis (-3 & +3) were employed to test for normal distribution, and as shown in the table below, Skewness and Kurtosis of the variables are within the range, confirming that the residuals are normally distributed.

**Table 4. 11: Kurtosis and skewness statistics**

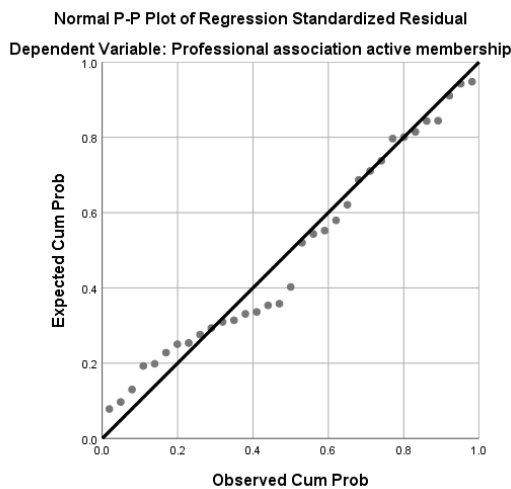
	<b>Professional association active membership</b>	<b>Management Capacity</b>	<b>Program performance</b>	<b>Transparency</b>
<b>N</b>	33	33	33	33
<b>Skewness</b>	1.710	-.025	-1.049	-.786
<b>Std. Error of Skewness</b>	.409	.409	.409	.409

<b>Kurtosis</b>	2.197	-.197	1.011	1.854
<b>Std. Error of Kurtosis</b>	.798	.798	.798	.798

#### 4.5.2 Linearity

The assumption of linearity says that the connection between X and the mean of Y is linear. All the variables in this study were chosen from prior studies that used a linear connection between the variables. There was also linearity, as determined by the Normal P-P plot of regression scaled residuals. As a result, all the correlations between dependent (Professional Associations Performance) and independent variables (Management Capacity, Program Performance, and Transparency) match satisfactorily with a linear pattern, and the linearity assumption is upheld.

**Figure 4. 2: P-P Plot of Regression Standardized Residual**



#### 4.5.3 Multicollinearity

When a single independent variable is significantly associated with a group of other independent variables, this is referred to as multicollinearity. Complete collinearity occurs when the correlation coefficient of two independent variables is 1; if the correlation coefficient is 0, they are said to have complete absence of collinearity (Hair, 2009).

The tolerance value is a standard metric of multicollinearity. It indicates the amount of a variable that is unaccounted for by the other independent variables; small tolerance values indicate significant collinearity. The variable is more strongly predicted by the other independent variables when the tolerance value decreases (collinearity) (Hair, 2009). Tolerance levels range from 0 to 1, with values closer to 1 indicating that there is no multicollinearity concern. (Keith, 2019).

Similarly, the impact of the other independent variables on the standard error of a regression coefficient is measured by the VIF-variance inflation factor. The variance inflation factor ( $VIF_i=1/TOL_i$ ) is proportional to the tolerance value. The bigger the value of VIF, the more collinear the variables are, and a VIF greater than 10 is generally considered unsatisfactory (Keith, 2019).

As a result, the study went on to conduct multicollinearity tests in SPSS and discovered no difficulty with multicollinearity. As shown in the table below, none of the tolerance values are less than 0.1 and none of the Variance-Inflation Factor (VIF) values are larger than 10, indicating that there was no Multicollinearity problem in this research.

**Table 4. 12: Collinearity statistics test of Independent variables**

<b>Coefficients<sup>a</sup></b>			
Model		Collinearity Statistics	
		Tolerance	VIF
1	Strategic management	.794	1.260
	Leadership	.762	1.313
	Financial efficiency	.560	1.785
	Financial position	.484	2.065
	Human resource management	.742	1.347
	Technology adoption	.583	1.714
	Project resource allocation	.497	2.011
	Project delivery	.573	1.746
	Financial transparency	.518	1.929
	Organizational transparency	.698	1.432

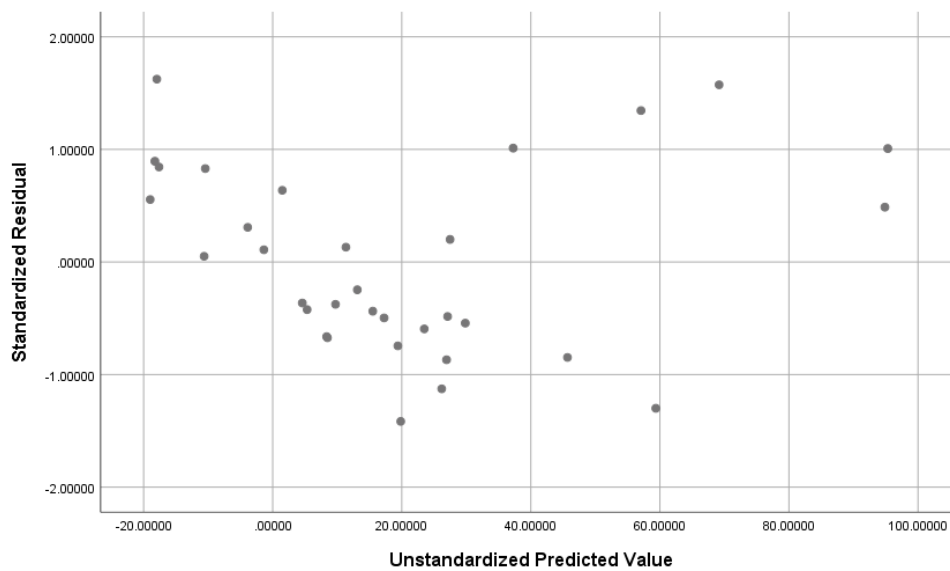
a. Dependent Variable: Professional association active membership growth

#### 4.5.4 Homoscedasticity

Homoscedasticity also refers as equality of Variance describes data in which the variance of the error terms seems consistent across the range of independent variable values. The assumption of equal variance of the population error (where  $\varepsilon$  is computed from the sample value  $e$ ) is important to the appropriate use of linear regression. The data, on the other hand, are considered to be heteroscedastic when the error term exhibit rising or modulating variance (Hair, 2009).

The homoscedasticity assumptions assert that the variance of the residual is the same for every value of X. A visual study of a plot of the Standardized residuals by the regression Unstandardized predicted value can confirm this (Osborne & Waters, 2003). The issue is not damaging to analysis if the mistake words are spread randomly with no specific Pattern. The graph below demonstrates that there existed Homoscedasticity as determined by ocular observation.

**Figure 4. 3: Scatter Plot of Membership**



#### 4.5.5 Outliers

Outliers are observations in which the actual value for the dependent variable differs significantly from the expected value. The aim is to find observations which are unrepresentative of the population from which the sample was collected, so that they can be

discounted or even removed from the study (Hair, 2009). Because the standardized residual is between +3 and -3, we may conclude that the regression model handles outliers well.

## 4.6. Regression Analyses and Hypotheses Validation

### 4.6.1. Regression Analyses

*“Multiple regression analysis is a statistical approach that is used to investigate the connection between a single dependent variable and numerous independent variables. The goal of multiple regression analysis is to anticipate how the dependent variable will change in response to changes in the independent variables.” (Hair, 2009).*

#### Model Summary

The model summary table outlines information about the strength of the relationship between the model and the dependent variable. Furthermore, the model summary (table 4.13.) below contains information about total variation in the dependent variable which could be explained by the regression line. Further outlined below: -

**Table 4. 13: Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.943 <sup>a</sup>	0.889	0.838	12.59337

Change Statistics					
R Square Change	F Change	df1	df2	Sig. F Change	Durban-Watson
0.889	17.611	10	22	0.000	1.898

a. Predictors: (Constant), Organizational transparency, Human resource management, Leadership, Technology adoption, Strategic management, Project resource allocation, Financial efficiency, Project delivery, Financial transparency, Financial position

b. Dependent Variable: Professional association active membership (growth rate)

R denotes the linear correlation between the dependent variable’s actual values and the values predicted by the model. As shown in the model summary table above, the R value (0.943) indicates that the overall influence of the independent variables summarized as (Management capability, Program performance, and Transparency) on the dependent variable (PA active membership growth) is considerable (significant).

The R Square value (coefficient of determination) indicates the goodness-of-fit of the independent variables in explaining the variance in the dependent variable. In other words, the R-squared value indicates how near the data are to the fitted regression line. The R Square number is always between 0% and 100%, and the greater the R Square value, the better the model matches our data. The study's R Square value is 0.889, indicating that the effect of the independent variables accounts for 88.9 percent of the variability in PA membership growth. The remaining 11.1 percent variability in PA membership growth is driven by additional factors not included in the Model.

The amount of variance explained by solely the independent factors that impact the dependent variable is shown by adjusted R<sup>2</sup>. The adjusted R-Square (R square = 0.838) demonstrates the explanatory power of all independent variables in the research. As a result, the modified R Square value in this study indicates that the regression model accounts for 83.8 percent of the fluctuations in PA's membership growth.

### **Analysis of Variance (ANOVA)**

The ANOVA (Analysis of Variance) table checks our model's capacity to explain any variation in the dependent variable without addressing the strength of the association explicitly. ANOVA determines if the full model (all independent variables combined) has significantly greater predictive ability of the dependent variable. It is a procedure for determining the relevance of experimental data. The ANOVA findings of multiple linear regressions with PA membership growth as the dependent variable and Management capacity, Program performance, and Transparency as the study's independent factors are provided in ANOVA table 4.14.

In table 4.13, the regression row represents the variance that the model accounts for, while the residual row represents the variation that the model does not account for. As a result, the regression total of squares (27,929.69) is much more than the residual sum of squares (3489.04), indicating that the model accounts for most of the variation in PA's active membership growth.

The F value represents the model's predictive capacity in proportion to its inaccuracy, which is represented by the Residual value. As seen in table 4.13, the value of  $F(10, 22) = 17.611$ ,  $p = 0.000$  indicates that the variance described by the model is not attributable to chance.

As a result, we may infer that the model demonstrates a statistically significant link between dependent and independent variables. In other words, the model considerably increases our capacity to predict the dependent variable (the growth of PA active membership).

**Table 4. 14: Goodness of fit- ANOVA<sup>a</sup>**

<b>Model</b>		<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
<b>1</b>	<b>Regression</b>	27929.695	10	2792.969	17.611	.000 <sup>b</sup>
	<b>Residual</b>	3489.048	22	158.593		
	<b>Total</b>	31418.742	32			

a. Dependent Variable: Professional association active membership

b. Predictors: (Constant), Organizational transparency, Human resource management, Leadership, Technology adoption, Strategic management, Project resource allocation, Financial efficiency, Project delivery, Financial transparency, Financial position

#### 4.6.2. Validation of Hypotheses

Regressions employ data to construct a predictive model and then use that model to forecast the values of a dependent variable based on one or more independent variables (Field, 2008). Multiple Linear Regression determines the coefficients of the linear equation that best predict the value of the dependent variable when more than one independent variable is included. As mentioned earlier, multiple regression analyses were conducted with PA's membership growth rate as the dependent variable and the three intra-organizational determinants (Management capacity, Program performance and Transparency) as the independent variables to identify the impact on performance of Professional associations.

Hypothesis testing was done based on the Standardized Coefficients Beta and P-value shown in the coefficient table below, and the results are reported for each variable as follows.

**Table 4. 15: Regression Coefficients of Predictor Variables to the Dependent Variable**

<b>Coefficients<sup>a</sup></b>				
<b>Model</b>	<b>Unstandardized</b>	<b>Standardized</b>	<b>t</b>	<b>Sig.</b>

		Coefficients		Coefficients		
		B	Std. Error	Beta		
1	(Constant)	-303.698	38.515		-7.885	.000
	Strategic management	.626	.274	.182	2.285	.032
	Leadership	-.451	.371	-.099	-1.218	.236
	Fundraising efficiency	.107	.174	.058	.614	.546
	Financial position	.607	.272	.228	2.230	.036
	Human resource management	.594	.243	.201	2.440	.023
	Technology adoption	.283	.114	.232	2.492	.021
	Project resource allocation	.355	.254	.141	1.397	.176
	Project delivery	.471	.224	.197	2.102	.047
	Financial transparency	.645	.224	.283	2.872	.009
	Organizational transparency	.799	.228	.298	3.505	.002

a. Dependent Variable: Professional association active membership

### 1) Management Capacity

there are six variables grouped under Management Capacity from which strategic management, financial position, Human resource management and technology adoption have significant effect in predicting the dependent variables. However, financial efficiency and leadership have made statistically insignificant prediction of PA's performance at 5% significance level.

#### Strategic Management

Hypothesis 1: Strategic Management has significant effect on professional associations' performance in Ethiopia.

The beta coefficient of Strategic Management is 0.182 and p-value 0.032. This indicates that Strategic Management positively and significantly affects PA's performance. Therefore, the null hypothesis is rejected which says strategic management has no significant impact on PA's performance. Similar result was observed by (C. Lee & Nowell, 2015; Liket & Maas, 2015; Ramadan & Borgonovi, 2015) as it was reported that strategic management has direct relationship with PA's performance. Thus, the proposed hypothesis is accepted.

#### Leadership

Hypothesis 2: Leadership has significant effect on professional associations' performance in Ethiopia.

The beta coefficient of Leadership is -0.099 and p-value 0.236 ( $p > 0.05$ ). implies that Leadership is insignificant predictor at 5% significance level. thus, the null hypothesis was not rejected which says Leadership has no significant impact on PA's performance.

### **Fundraising efficiency**

Hypothesis 3: Financial efficiency has significant effect on professional associations' performance in Ethiopia.

The beta coefficient of Leadership is 0.058 and p-value 0.546 ( $p > 0.05$ ). implies that Financial efficiency is insignificant predictor at 5% significance level. thus the null hypothesis was not rejected which says Financial efficiency has no significant impact on PA's performance.

### **Financial position**

Hypothesis 4: Financial position has significant effect on professional associations' performance in Ethiopia.

The beta coefficient of Financial position is 0.228 and p-value 0.036. This indicates that Financial position positively and significantly affects PA's performance. Therefore, the null hypothesis is rejected which says Financial position has no significant impact on PA's performance. Similar result was observed by (Ramadan & Borgonovi, 2015) as it was reported that Financial position has direct relationship with PA's performance. Thus, the proposed hypothesis is accepted.

### **Human resource management**

Hypothesis 5: Human resource management has significant effect on professional associations' performance in Ethiopia.

The beta coefficient of Human resource management is 0.201 and p-value 0.023. This indicates that Human resource management positively and significantly affects PA's performance. Therefore, the null hypothesis is rejected which says Human resource management has no significant impact on PA's performance. Similar result was observed by (Liket & Maas, 2015; Ramadan & Borgonovi, 2015) as it was reported that Financial position has direct relationship with PA's performance. Thus, the proposed hypothesis is accepted.

### **Technology adoption**

Hypothesis 6: Technology adoption has significant effect on professional associations' performance in Ethiopia.

The beta coefficient of Technology adoption is 0.232 and p-value 0.021. This indicates that Technology adoption positively and significantly affects PA's performance. It can be interpreted as holding other factors constant, a 1% increase in Technology adoption will lead to an increase in PA's performance by 23.2%. Hence, Technology adoption has direct relationship with PA's performance. Thus, the proposed hypothesis is accepted.

### **2) Program performance**

there are two variables grouped under Program performance from which Project delivery have significant effect in predicting the dependent variables. However, Project resource allocation have made statistically insignificant prediction of PA's performance at 5% significance level.

### **Project resource allocation**

Hypothesis 7: Project resource allocation has significant effect on professional associations' performance in Ethiopia.

The beta coefficient of Project resource allocation is 0.141 and p-value 0.176 ( $p > 0.05$ ). implies that Project resource allocation is insignificant predictor at 5% significance level. thus, the null hypothesis was not rejected which says Project resource allocation has no significant impact on PA's performance.

### **Project delivery**

Hypothesis 8: Project delivery has significant effect on professional associations' performance in Ethiopia.

The beta coefficient of Project delivery is 0.197 and p-value 0.047. This indicates that Technology adoption positively and significantly affects PA's performance. It can be interpreted as holding other factors constant, a 1% increase in Technology adoption will lead to an increase in PA's performance by 19.7%. Similar result was observed by (Liket & Maas, 2015; Ramadan & Borgonovi, 2015) as it was reported that project delivery has direct relationship with PA's performance. Thus, the proposed hypothesis is accepted.

### **3) Transparency**

there are two variables grouped under Program performance from which financial transparency and organizational transparency both have significant effect in predicting the dependent variable at 5% significance level.

### **Financial transparency**

Hypothesis 9: financial transparency has significant effect on professional associations' performance in Ethiopia.

The beta coefficient of financial transparency is 0.283 and p-value 0.009. This indicates that financial transparency positively and significantly affects PA's performance. It can be interpreted as holding other factors constant, a 1% increase in financial transparency will lead to an increase in PA's performance by 28.3%. Similar result was observed by (Liket & Maas, 2015) as it was reported that financial transparency has direct relationship with PA's performance. Thus, the proposed hypothesis is accepted.

### **Organizational transparency**

Hypothesis 10: Organizational transparency has significant effect on professional associations' performance in Ethiopia.

The beta coefficient of Organizational transparency is 0.298 and p-value 0.002. This indicates that Organizational transparency positively and significantly affects PA's performance. It can be interpreted as holding other factors constant, a 1% increase in Organizational transparency will lead to an increase in PA's performance by 29.8%. Similar result was observed by (Liket & Maas, 2015) as it was reported that Organizational transparency has direct relationship with PA's performance. Thus, the proposed hypothesis is accepted.

## **4.7 Secondary Data Analysis**

### **Professional associations' Performance**

As shown in Table 4.15, the Professional associations' performance in terms of active membership was assessed taking 2019G.C/2011E.C as bench mark because the FDRE's new Organizations of Civil Societies Proclamation No. 1113/2019 was passed in that year and all PA's had to register again. Data collected before that year was not deemed unnecessary for this research.

PA's average performance increased at a rate 27% in (2012), and then after decreased to 13% in (2013). The sector's Professional association membership grew on average by 20% during these periods. In general, it was apparent that PA's growth rate is volatile and further future data is needed to see the trend forward, however based on the previous data (before the new 2019 proclamation) it is evident that professional association membership was on a decline.

the main factor for outlined in PA membership growth rate is PA's transparency (as identified by research) which is one of the Intra-organizational determinants of PA's performance. Therefore, the very nature of PA membership decline from actual performances comparisons of consecutive years can only be justified by Intra-organizational factors which are inconsistent with the findings of the significant factors identified in the regression analysis section of the study.

## **V. CONCLUSION & RECOMMENDATIONS**

### **5.1 Summary**

The objective of the study was to investigate the influence of Intra-organizational determinants of PA performance in Ethiopia. Based on the literature review discussed in chapter 2, three variables have been established to investigate their effect on export performance of Ethiopian PA's. These variables are Management capacity, Program performance and Transparency. The variables were used as independent variables to see how each of them relate or influence the active membership growth of PA's.

These variables have been sub categorized in to 10 factors. These are Strategic management, leadership, fundraising efficiency, financial position, human resource management, technology adoption, project resource allocation, project delivery, financial transparency and organizational transparency. PA's active membership which is taken as dependent variable, was objectively measured by the change in annual membership of each association which is called membership Growth Rate. Despite PA's active membership growth rate varying across

individual PA's, however overall, the sector's performance has shown steady decline from year to year.

The results of the descriptive statistical analysis indicated that Management capacity, program performance and transparency showed substantial level of agreement among respondents with a mean of 4.03, 4.13 & 4.17 respectively.

Correlation analysis was conducted on the variables and there is substantial positive association b/n PA's membership growth and Program performance, and b/n PA's membership growth and Transparency. furthermore, the relation between PA's membership growth and most of Management capacity sub categories is strongly positive except Leadership and financial efficiency which has low correlation with PA's membership growth. The diagnostic test for regression assumption violations was carried out. As a result, the normality, linearity, homoscedastic, multicollinearity, and outliers' tests were carried out, and no violations of regression assumptions were found.

Accordingly, regression analysis was performed on the ten parameters listed above, and the value of R square became 0.889, indicating that the independent variables included in the research explain 88.9 percent of the variation in PA membership growth. Furthermore, it was shown that 7 of the 10 parameters had a substantial influence on PA membership growth. Strategic management, financial position, human resource management, technology adoption, project delivery, financial transparency, and organizational transparency are examples of these. The remaining three elements, on the other hand, had no influence.

## **5.2 Conclusion**

The objective of the study is to investigate the influence of Intra- organizational determinants of Performance on Ethiopian PA's and the Intra- organizational determinants are categorized into three variables namely, Management capacity such as Program performance and Transparency. The results showed that variables under Management capacity like Strategic management, financial position, human resource management, technology adoption; variables under Program performance such as project delivery; variables under Transparency such as financial transparency and organizational transparency have significant predictors of

PA's performance. The rest of the variables have shown non-significant contribution to PA's performance (PA's membership growth).

As discussed in the previous section, the comparison of previous year actual performance against subsequent year actual performance of PA's, it is noted that PA's membership growth consistently declines (based on previous data). The decline was observed despite the government policy changes (FDRE's new Organizations of Civil Societies Proclamation No. 1113/2019) Thus, it signifies that Intra-organizational performance determinants have been neglected and the associations didn't dwell on it.

From all the above findings and discussions, it can be inferred that the main reasons for the low-level PA's performance are related with the specific factors subcategorized under the three variables, Management capacity, Program performance and Transparency.

### **5.3 Recommendations**

The researcher advises the recommendations listed below based on the findings and conclusions of the study.

- Among the independent variables under management capacity construct: strategic management related practices were found to be significant predictors of PA's Performance. Hence, having a clear, meaningful written mission statement; regular review and evaluations of their community/ beneficiaries' feedback and the use of these Stakeholder feedbacks, to improve and modify their implementation and planning process, will significantly affect performance of PA's.
- Under management capacity construct: PA's financial position was found to be significant predictors of PA's Performance. Hence, practices such as written financial control policies, including cash and deposits handling, plus over spending and disbursements approval will impact the performance of PA's. Furthermore, Annual independent audit or review of the organization's financial condition is important.
- Furthermore under the previous construct: variables such as Human resource management and technology adoption were found to be significant predictors of PA's

Performance, Hence, practices such as implementing strategic human resources policies, devising and implementing training and development plans, staffing policies and regulations, including the presence of professional development and training opportunities for employees' specifically on cultural sensitivity and personal development. Additionally, the leveraging of technological resources, IT infrastructure (information systems) will significantly affect performance of PA's.

- On the other hand, leadership have negative /Insignificant effect on PA's performance, as per the regression analysis of this study. However, from the review of empirical research; these variables have positive and significant relationships with PA's performance. Hence, it needs to get due attention by the PA's management despite the analysis being conducted on a declining PA's membership growth, it is highly advisable that PA's bring this variable to have positive and significant effect on PA's performance.
- Under program performance construct: project delivery was found to be significant predictors of PA's Performance. Hence, practices such as Beneficiaries consultation in the design and implementation of programs/projects, Program/project evaluation which ensures high-quality program processes. Finally implementing Program/project processes documentation which maximizes Efficiencies and reliability will significantly affect performance of PA's.
- Under Transparency construct: both financial and organizational transparency was found to be significant predictors of PA's Performance. Hence, practices such regular publishing of its annual financial report, including association operating budget and identities of its executive staff. furthermore, the presence of various channels to access the association including systemic procedures for dealing with questions, feedback and critiques will significantly affect performance of PA's.

#### **5.4 Limitation and direction for future study**

In this study, data collected through structured questionnaires was used to check the influence of Specific Intra- organizational determinants of performance of PA's. Future

studies can focus on the same objective by incorporating external factors furthermore other intra- organizational factors could be assessed.

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## VII. APPENDIX

### 6.1 Questionnaire

#### 6.1.1 Questionnaire sample

Addis Ababa University

College of Business and Economics

Department of Management, MBA Extension Program Questionnaire

Dear respondent

My name is Henok Teshome, I am a postgraduate student in the College of Business and Economics at Addis Ababa University. The questionnaire is intended to collect data for a master's thesis on “**Determinants of Professional Associations' Performance in Ethiopia**”. It is done for academic purposes in order to complete a prerequisite for a Master's degree in Business Administration. Filling out the survey form is entirely optional. Your input will be helpful in understanding the research being conducted. As a result, you are kindly asked to provide your honest and truthful response to this form. I tell you that all your replies will be kept private, and your name will not be revealed. Your response will be used solely for this academic study. The researcher expresses his appreciation in advance.

Thank you!

Contact Info

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**Part 1**

Put “√” or “X” mark in the box that most explain your answer, for the last three questions, please Write short and brief answers.

<b>Demographic profile</b>	
Sex	<input type="checkbox"/> Male <input type="checkbox"/> Female
Age	<input type="checkbox"/> 24-29 <input type="checkbox"/> 30-35 <input type="checkbox"/> 36-40 <input type="checkbox"/> Above 40
Education level	<input type="checkbox"/> Below Diploma <input type="checkbox"/> Diploma <input type="checkbox"/> 1st Degree <input type="checkbox"/> Masters <input type="checkbox"/> PHD
Work experience (in years)	<input type="checkbox"/> 1-5 <input type="checkbox"/> 6-10 <input type="checkbox"/> 11-15 <input type="checkbox"/> Above 15
Professional association’s full name	
Association Age (in years)	<input type="checkbox"/> 1-5 <input type="checkbox"/> 6-10 <input type="checkbox"/> 11-15 <input type="checkbox"/> Above 15
Current position in Association	

**Part 2**

Please rank your agreement to the following statements on a five-point scale provided below, where 1: Strongly Disagree 2: Disagree 3: Moderately Agree 4: Agree 5: Strongly Agree

Put “√” or “X” mark in the box that most explain your answer

No	Performance Variable	1	2	3	4	5
<b>1</b>	<b>Management Capacity</b>					
1.1	Strategic management					
	Having a clear, meaningful written mission statement, reflective of their fundamental purpose, values and people served influences Active membership growth in PA’s					
	The associations’ Periodic renewal of its strategic plan influences its Active membership growth.					

	The associations' non-stop use of strategies and resource tools which encourage creativity and communication influences its active membership growth.					
	The associations' regular review and evaluations of their community/ beneficiary's feedback affects its Active membership growth.					
	The associations' use of Stakeholder feedback, to improve and modify their implementation and planning process, influences its active membership growth.					
1.2	Leadership					
	The association leaderships' decisions when consistent with corporate policies, procedures, and objectives, influences its active membership growth.					
	The association leaderships' effective responsibility delegation, accountability and authority influences its active membership growth.					
	The association leaderships' encouragement of staff members initiative, involvement, and innovation has an effect on its active membership growth.					
	The associations leaderships' recognitions of optimal performance, and timely appreciation influences its active membership growth.					
	The association Leaderships' courage to embrace change influences its active membership growth.					
1.3	Fundraising efficiency					
	Availability of financial plan in the association consistent with its strategic plan influences its active membership growth.					
	Availability of Fundraising which is properly staffed, annualized, maintained by clear systems and multiple strategies influences its active membership growth.					
	Availability of funding diversification planning and access to additional resources influences active membership growth in					

	the association					
1.4	Financial Position					
	financially stability influences active membership growth in the association					
	Availability of Written financial control policies, including the of cash and deposits handling, plus over spending and disbursements approval influences active membership growth in the association					
	Availability of Annual independent audit or review of the organization's financial condition, conducted by a Certified Public Accountant, influences active membership growth in the association					
1.5	Human resource management					
	Availability of a HR policy, staffing policies and regulations and a training and development plan influences active membership growth in the association					
	Availability of professional development and training opportunities for employees' specifically on cultural sensitivity and personal development influences active membership growth in the association					
	Availability of skilled workers which give the association a competitive advantage influences active membership growth in the association					
	Employee satisfaction influences active membership growth in the association					
1.6	Technology adoption					
	Level of Technology the association implemented, influences active membership growth in the association					
	The association leverage of resources (e.g. R&D, IT, etc.) influences active membership growth in the association					
<b>2</b>	<b>Program Performance</b>					
2.1	Program/Project Resource allocation					
	Programs/project alignment with the association's core					

	vision, mission and expertise influences active membership growth in the association					
	Programs/projects being sufficiently staffed and resourced influences active membership growth in the association					
2.2	Program/project delivery					
	Beneficiaries consultation in the design and implementation of programs/projects influences active membership growth in the association					
	Program/project processes documentation to maximize Efficiencies and reliability influences active membership growth in the association					
	Program/project evaluation which ensures high-quality program processes and achievement influences active membership growth in the association					
<b>3</b>	<b>Transparency</b>					
3.1	Financial transparency					
	The association regular publishing of its annual financial report influences active membership growth in the association					
	The association regular publishing the operating budget set for each year influences active membership growth in the association					
3.2	Organizational transparency					
	The availability of various channels to access the association (1. postal mail; 2. phone; 3. email) influences active membership growth in the association					
	The availability of systemic procedures for dealing with questions, feedback and critiques in the organization influences active membership growth in the association					
	The association regularly publishing of its strategic plan and annual report influences active membership growth in the association					
	The association regularly publishing of identities of its					

executive staff influences active membership growth in the association					

## 6.2 Professional Associations profiles

No	PA Name	Establishment year (E.C)	Current members	Location
PA-1	Ethiopian Society of Rural Development and Agricultural Extension	2010	240	ADDIS ABABA, W# Bole Sub city K#, H#,
PA-2	Ethiopian Veterinary Association	2001	1700	ADDIS ABABA, W# Yeka Sub city K#, H# 482/483,
PA-3	Ethiopian Pharmaceutical Association	1974	700	ADDIS ABABA, W# Arada Sub city K# 01, H# 090,
PA-4	Ethiopian Internal Auditors Association	1990	400	ADDIS ABABA, W# Gullele Sub city K# 01/02, H#,
PA-5	Ethiopia Nursoch Mahiber	1988	2000	ADDIS ABABA, W# Kirkos Sub city K# --, H# 122,
PA-6	Ethiopian Media Women Association	1993	200	ADDIS ABABA, W# Arada Sub city K# 01, H# 601,
PA-7	Ethiopian Air Traffic Controllers Association	1998	350	ADDIS ABABA, W# Bole Sub city K#, H#,
PA-8	Ethiopian Midwives Associations	1990	300	ADDIS ABABA, W# Bole Sub city K# 06/17, H# 288,
PA-9	Association of French Teachers in Ethiopia	2010	180	ADDIS ABABA, W# Gullele Sub city K#, H# 173/3,
PA-10	Ethiopian Cataract Surgeon Association	2010	100	ADDIS ABABA, W# Mufassil Lafto Sub city K#, H#,
PA-11	Ethiopian Special Needs Education Professional Association	2005	602	ADDIS ABABA, W# Arada Sub city K# 7, H# 1169/,
PA-12	Ethiopia Bar Association	1998	1900	ADDIS ABABA, W# Yeka Sub city K#, H# 303,
PA-13	Yeethiopia Akababi Tena Atbabek Balmuyawoch Mahiber	1993	739	ADDIS ABABA, W# Kirkos Sub city K# 21, H# NEW,

PA-14	Commercial Graduates Association	1942	300	ADDIS ABABA, W# Kirkos Sub city K# 02/03, H# 117,
PA-15	Ethiopian Visual Artist Association	1991	580	ADDIS ABABA, W# Kirkos Sub city K#, H# 112/15/1,
PA-16	Ethiopian Evaluation Association	1998	200	ADDIS ABABA, W# Bole Sub city K# 12/13, H# 558,
PA-17	Ethiopian Marketing Professionals Association	1983	770	ADDIS ABABA, W# Kirkos Sub city K# 09, H# 340,
PA-18	Plastic and Reconstructive Surgeons Society	2007	50	ADDIS ABABA, W# Kirkos Sub city K# 04, H# 9999/1,
PA-19	Association for Dental Research	2001	200	ADDIS ABABA, W# Yeka Sub city K# 07, H# 671,
PA-20	Ethiopian Dermatology and Venereology Society	2005	120	ADDIS ABABA, W# Arada Sub city K#, H# C-402,
PA-21	Ethiopian Society of Sociologists, Social Workers and Anthropologists	1998	1400	ADDIS ABABA, W# Arada Sub city K# 13/17, H# 502,
PA-22	Addis Ababa City Traditional Medicine Physician Association	2010	26	ADDIS ABABA, W# Gullele Sub city K#, H# 738,
PA-23	Ethiopian Medical Association (EMA)	1978	3500	ADDIS ABABA, W# Kirkos Sub city K#, H# 9999/1,
PA-24	Public Health Officers Association	2005	2869	ADDIS ABABA, W# Kirkos Sub city K#, H#,
PA-25	Ethion Metal Workers Professional Association	2010	30	ADDIS ABABA, W# Lideta Sub city K# 08, H#,
PA-26	Ethiopian Fashion Designers and Stylists Association	2010	11	ADDIS ABABA, W# Gullele Sub city K#, H# ES0- 101,
PA-27	Ethiopian IFRS Accounting Professionals Association	2010	30	ADDIS ABABA, W# Kolbe Keraniyo Sub city K# 07, H#,
PA-28	Ethiopian Society of Microbiology	2008	300	ADDIS ABABA, W# Arada Sub city K#, H#,
PA-29	Ethiopian Mathematics Professionals Association	1983	250	ADDIS ABABA, W# Arada Sub city K# arat kilo, H#,
PA-30	Gastro Enterology Association-Ethiopia	2001	30	ADDIS ABABA, W# Arada Sub city K# 01/02, H#,
PA-31	Ethiopia Society of Hematology and Oncology	2009	50	ADDIS ABABA, W# Lideta Sub city K#,

				H#,
PA-32	Ethiopian Optometric Association	2001	80	ADDIS ABABA, W# Bole Sub city K#, H#,
PA-33	Ethiopian Consulting Engineers and Architects Professional Association	1984	138	ADDIS ABABA, W# Yeka Sub city K# 16/17/18, H# new,

### 6.3 Professional Associations Membership

No	Professional Association	Performance Status	PA Membership			Total (mean)
			2011(E.C)	2012(E.C)	2013(E.C)	
1	PA-1	Actual	230	235	240	
		Performance (%)	0.00	2%	2%	<b>2%</b>
2	PA-2	Actual	500	1150	1700	
		Performance (%)	0.00	130%	48%	<b>89%</b>
3	PA-3	Actual	600	655	720	
		Performance (%)	0.00	9%	10%	<b>9.5%</b>
4	PA-4	Actual	180	300	400	
		Performance (%)	0.00	67%	33%	<b>50%</b>
5	PA-5	Actual	805	2000	2000	
		Performance (%)	0.00	148%	0%	<b>74%</b>
6	PA-6	Actual	190	200	200	
		Performance (%)	0.00	5%	0%	<b>2.5%</b>
7	PA-7	Actual	320	350	350	
		Performance (%)	0.00	9%	0%	<b>5%</b>
8	PA-8	Actual	240	290	300	
		Performance (%)	0.00	21%	3%	<b>12%</b>
9	PA-9	Actual	180	180	180	
		Performance (%)	0.00	0%	0%	<b>0%</b>
10	PA-10	Actual	115	115	100	
		Performance (%)	0.00	0%	-13%	<b>-7%</b>
11	PA-11	Actual	300	480	602	
		Performance (%)	0.00	60%	25%	<b>43%</b>
12	PA-12	Actual	2200	2000	1900	
		Performance (%)	0.00	-9%	-5%	<b>-7%</b>
13	PA-13	Actual	600	610	739	
		Performance (%)	0.00	2%	21%	<b>11%</b>
14	PA-14	Actual	300	300	300	
		Performance (%)	0.00	0%	0%	<b>0%</b>

15	PA-15	Actual	320	460	580	
		Performance (%)	0.00	44%	26%	<b>35%</b>
16	PA-16	Actual	200	200	200	
		Performance (%)	0.00	0%	0%	<b>0%</b>
17	PA-17	Actual	770	770	770	
		Performance (%)	0.00	0%	0%	<b>0%</b>
18	PA-18	Actual	62	60	50	
		Performance (%)	0.00	-3%	-17%	<b>-10%</b>
19	PA-19	Actual	200	200	200	
		Performance (%)	0.00	0%	0%	<b>0%</b>
20	PA-20	Actual	90	100	120	
		Performance (%)	0.00	11%	20%	<b>16%</b>
21	PA-21	Actual	330	600	1400	
		Performance (%)	0.00	82%	133%	<b>108%</b>
22	PA-22	Actual	21	24	26	
		Performance (%)	0.00	14%	8%	<b>10%</b>
23	PA-23	Actual	892	2000	3500	
		Performance (%)	0.00	124%	75%	<b>101%</b>
24	PA-24	Actual	2000	2740	2869	
		Performance (%)	0.00	37%	5%	<b>21%</b>
25	PA-25	Actual	30	30	30	
		Performance (%)	0.00	0%	0%	<b>0%</b>
26	PA-26	Actual	9	8	11	
		Performance (%)	0.00	-11%	38%	<b>13%</b>
27	PA-27	Actual	18	27	30	
		Performance (%)	0.00	50%	11%	<b>30%</b>
28	PA-28	Actual	225	280	300	
		Performance (%)	0.00	24%	7%	<b>16%</b>
29	PA-29	Actual	167	230	250	
		Performance (%)	0.00	38%	9%	<b>23%</b>
30	PA-30	Actual	25	25	30	
		Performance (%)	0.00	0%	20%	<b>10%</b>
31	PA-31	Actual	70	80	50	
		Performance (%)	0.00	14%	-38%	<b>-12%</b>
32	PA-32	Actual	80	80	80	
		Performance (%)	0.00	0%	0%	<b>0%</b>
33	PA-33	Actual	115	130	138	
		Performance (%)	0.00	13%	6%	<b>10%</b>